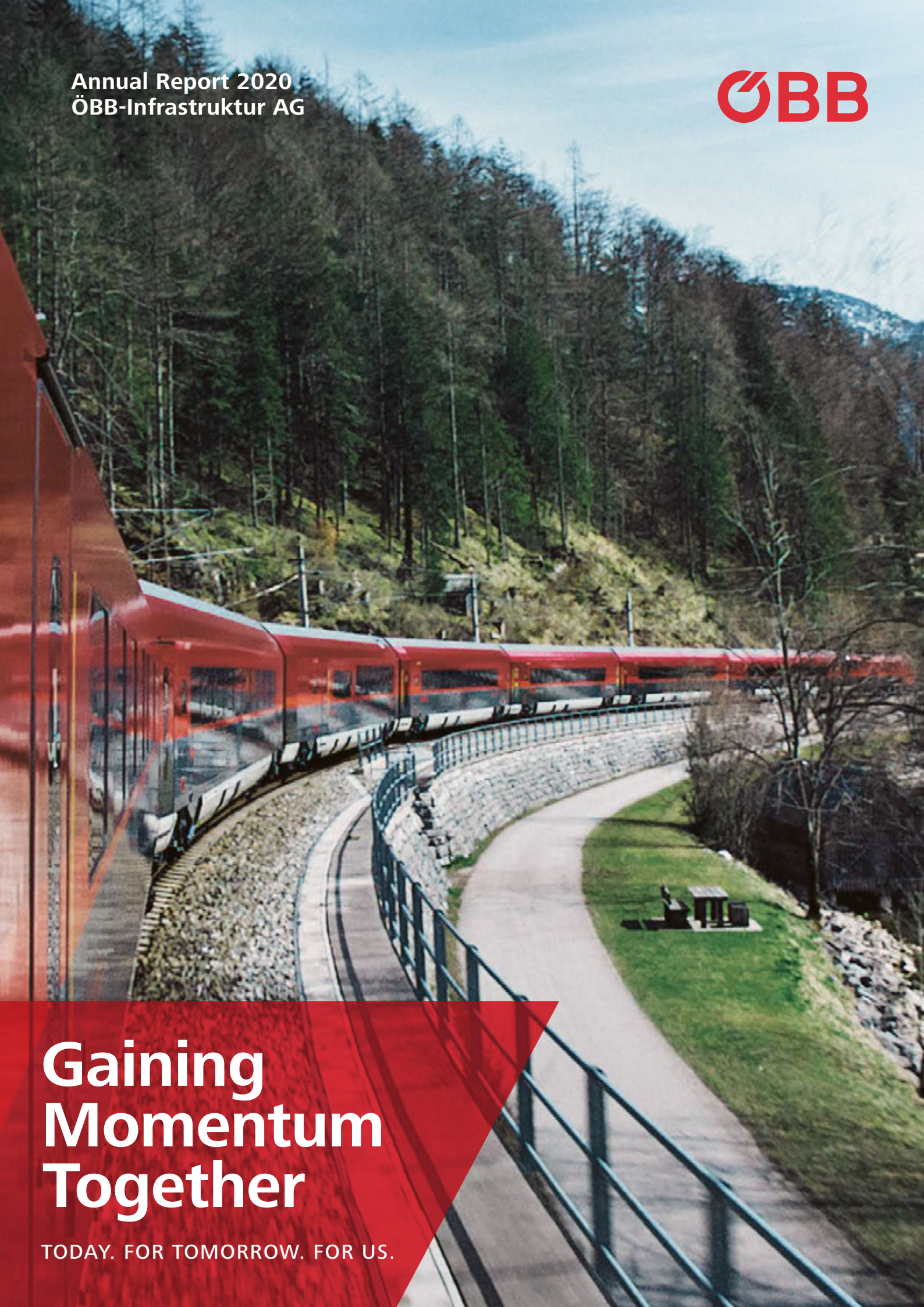
Annual Report 2020
ÖBB-Infrastruktur AG

ÖBB



Gaining Momentum Together

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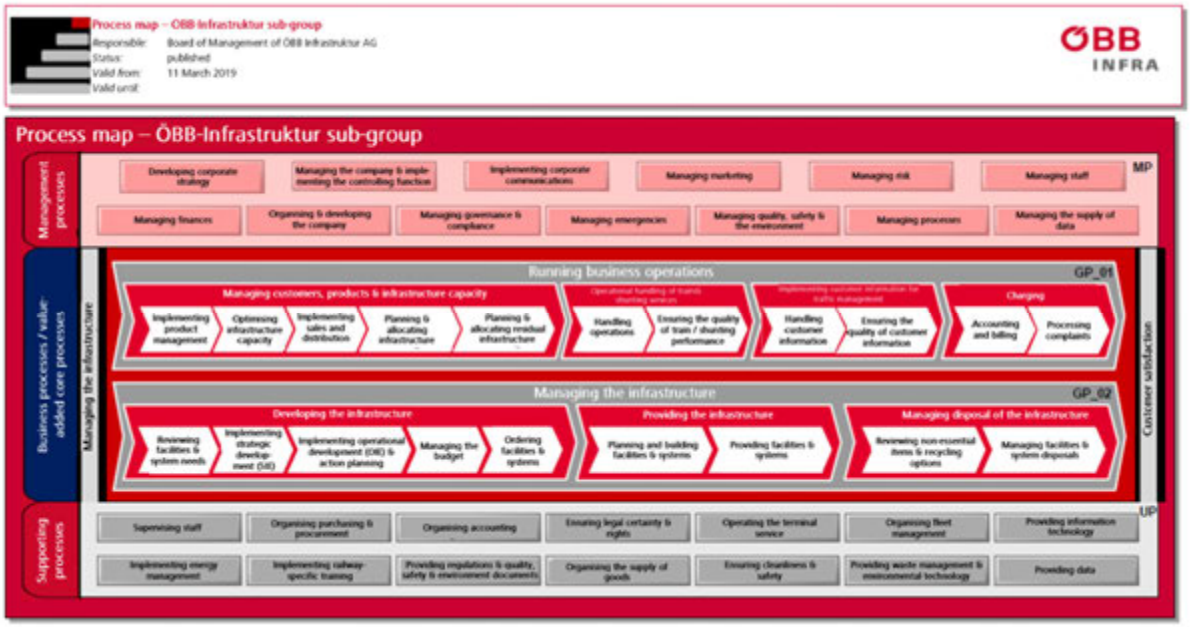
Content

Consolidated Management Report

A. Structure and Investments

The ÖBB-Infrastruktur Group is required to ensure the use and provision of the Austrian rail infrastructure economically, efficiently and in a non-discriminatory manner for all railway undertakings. At the same time, the ÖBB-Infrastruktur Group provides Austrian rail infrastructure on behalf of the Republic of Austria. The financing of investments for the expansion of the rail infrastructure is ensured through the cash flow generated, through borrowed capital as well as guarantees and subsidies from the federal government on the basis of multi-year framework plans. The management, development and utilisation of the ÖBB Group's real estate is provided by ÖBB-Infrastruktur AG's subsidiary, ÖBB-Immobilienmanagement Gesellschaft mbH.

The following process map provides an overview of all essential and value-adding processes of the company. The presentation of the interrelationships, including the focus on customers and value creation, takes centre stage in this context. It is structured according to process category (business, management and support processes) and built up according to levels of detail.



ÖBB-Infrastruktur AG operates a certified integrated management system that supports and monitors improvements in the areas of quality, environmental protection, employee protection and safety. External audits are at the beginning of the audit cycle, internal audits support the process of continuous improvement in the company. At the end of the audit period, the effectiveness results are included in the management review. The integrated management system follows the generally accepted management cycle of Plan - Do - Check - Act. Measures, objectives and effectiveness of the integrated management system are brought to the attention of the Board of Management of ÖBB-Infrastruktur AG in the course of an annual management review.

ÖBB-Infrastruktur AG and its subsidiaries are certified according to the standards listed below.

	AUSTRIAN NORM EN ISO 9001: 2015	AUSTRIAN NORM EN ISO 14001: 2015	ISO 45001: 2018	ISO 55001: 2014	SMS in accordance with the Federal Railways Act (EisbG) Section 39
ÖBB-Infrastruktur AG	X	X	X	X	X
ÖBB-Immobilienmanagement GmbH	X	X	X		
Rail Equipment GmbH & Co KG	X	X	X		
Mungos Sicher & Sauber GmbH & Co KG	X	X	X		

The parent company, Österreichische Bandesbahnen-Holding Aktiengesellschaft (hereinafter ÖBB-Holding AG), is a public limited company under Austrian law. The registered office of the company is Am Hauptbahnhof 2, A-1100 Vienna, with the company registered in the commercial register kept at the Commercial Court of Vienna under FN 247642f. The Federal Government holds all shares in ÖBB-Holding AG, which holds all shares in ÖBB-Infrastruktur Aktiengesellschaft (hereinafter ÖBB-Infrastruktur AG). ÖBB-Infrastruktur AG is also a public limited company under Austrian law and is registered at the Commercial Court of Vienna with the company register number FN 71396w. The registered office of the company is Praterstern 3, A-1020 Vienna.

Investments

All of the ÖBB-Infrastruktur Group's investments are listed in detail in the investment overview in the annex to the Group's consolidated financial statements. An overview of the number of investments in Austria and abroad as well as ÖBB-Infrastruktur AG is provided as follows:

	as of Dec 31, 2020	as of Dec 31, 2019
Investments >50%	20	20
Investments 20–50%	4	3
thereof abroad	*1*	*1*
Investments <20%	1	1
thereof abroad	*1*	*1*
Total	**25**	**24**
thereof abroad	***2***	***2***

ÖBB-Infrastruktur Group

The ÖBB-Infrastruktur Group, with a total of 18,609 employees (as of 31.12.2020), operates 1,046 railway stations and stops in Austria as well as the railway infrastructure used by ÖBB-Personenverkehr AG, Rail Cargo Austria AG, two other companies belonging to the ÖBB Group and by other railway undertakings (RUs) not belonging to the ÖBB Group.

ÖBB-Infrastruktur AG has the following significant subsidiaries and investments:

ÖBB-Immobilienmanagement Gesellschaft mbH

ÖBB-Immobilienmanagement Gesellschaft mbH offers modern real estate services, both within the Group and externally. ÖBB is one of the largest property owners in Austria with around 23,000 properties. ÖBB-Immobilienmanagement Gesellschaft mbH - a wholly owned subsidiary of ÖBB-Infrastruktur AG - acts as a comprehensive real estate service provider primarily within the ÖBB Group. Its area of responsibility includes the sale and utilisation of real estate, project development, implementation of the station offensive, property management, facility management and space management. It develops and utilises non-operational properties and manages a comprehensive portfolio of around 3,892 buildings and 1,046 stations and stops throughout their life cycle. The range of services includes commercial and technical property management as well as facility responsibility for almost 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. Around 800 employees throughout Austria ensure the professional and efficient handling of the comprehensive service portfolio. In the 2020 financial year, the ÖBB-Infrastruktur Group was able to generate earnings contributions (proceeds less carrying amounts and provisions) from the utilisation of properties amounting to around EUR 60.4 million (py: around EUR 50.3 million).

Besides the property management tasks in the area of station and property management, the ownership role for all properties (buildings and land) as well as for the passenger stations should be emphasised. OBB Immobilienmanagement GmbH is therefore responsible for the overall image of the station in terms of the mobility chain, including the station building, forecourts, roads, paths, park & ride facilities, customer sanitary facilities and platforms up to the platform edge. It is the competent point of contact both within the Group and vis-à-vis customers, local residents, local authorities and interest groups. One of the most important meaningful quality indicators of ÖBB's real estate management is: Quality check, malfunction indicators and complaints.

The set target value for customer satisfaction in total (Ø of all categories in QC) was achieved in 2020. Compared to 2019, even a slight increase in customer satisfaction was achieved. The requirements regarding cleanliness and maintenance with regard to the defined target value 2020 were even slightly exceeded; in the area of safety, the annual result is also within the target value corridor. A slight increase was achieved in accessibility compared to the previous year. The number of immediate action cases initiated in 2020 relevant to facilities showed a downward trend towards the end of the year. The average value per month of 228 immediate action cases was lower than that of 2019 (241). The average number of immediate action cases per station and year is 2.61. At the beginning of the survey in 2013, the number of immediate action cases was comparatively 7,000 per month. The total number of complaints in the 2020 financial year is 1,132. The classification of the number of complaints is as follows: Complaints Service 719, Safety 153, Cleanliness 260. Measured on the basis of approximately 266.6 million passengers (total value in 2019), 0.42 complaints were made per 100,000 passengers, which is an improvement on the previous year.

Mungos Sicher & Sauber GmbH & Co KG

Mungos is the group's comprehensive provider of security and cleanliness services. In the area of cleaning, stations throughout Austria - and thus the area visible to customers - are cleaned by Mungos staff. The cleaning services include daily or regular maintenance cleaning as well as special cleaning (e.g. of roofs, application of floor sealants). In this context, the expertise of the staff is of particular importance: Mungos has employees in every province or area who have passed the master cleaning examination - this ensures that our internal clients receive good advice. Mungos offers a comprehensive graffiti removal service for railway undertakings (RUs). Mungos has been the general service provider for operational security services in the ÖBB Group since 01.01.2017. Mungos security guards ensure security and order at railway stations - through an intelligent area concept reflecting the actual situation, all railway stations in Austria are supervised either by mobile patrols or by stationary staff. Strategic security services have been part of the portfolio since 01.01.2019 in addition to operational security services through the integration of public security (formerly group security). Mungos is thereby developing into a one-stop shop within the group and guarantees efficient service provision. Besides the cleaning and security staff, all operational customer information staff of ÖBB at the stations are also part of Mungos. Mungos and its products are the face of ÖBB-Infrastruktur AG to the end customer. In addition, Mungos GmbH & Co KG has also been operating as a personnel leasing company for permanently appointed employees since 01.09.2019.

Rail Equipment GmbH & Co KG

The procurement and group-wide leasing and utilisation of rail-bound special vehicles and equipment as well as road vehicles, their purchasing, financing as well as maintenance and servicing are within the remit of Rail Equipment GmbH & Co KG. In addition, Rail Equipment GmbH & Co KG supports the strategic orientation of the ÖBB Group as a total mobility service provider by serving the last mile.

Güterterminal Werndorf Projekt GmbH

Güterterminal Werndorf Projekt GmbH was established for the realisation of the Werndorf freight terminal in the course of a public-private partnership model and acquired by ÖBB-Infrastruktur AG in 2012.

WS Service GmbH

WS Service GmbH was founded at the end of 2013 and provides services for and in connection with railway turnouts.

ÖBB-Infrastruktur AG holds a 51% investment in WS Service GmbH, while voestalpine Turnout Technology Zeltweg GmbH holds 49%.

WS Service GmbH provides services for turnout and adjacent tracks, especially in the area of maintenance, inspection and repair.

The staff required to perform the range of services of WS Service GmbH is leased from ÖBB-Infrastruktur AG. WS Service GmbH has currently WS Service GmbH currently has around 100 employees seconded by ÖBB-Infrastruktur AG.

In 2019, ÖBB-Infrastruktur AG invited tenders for turnout maintenance services on the entire ÖBB-Infrastruktur AG route network. In August 2019, WS Service GmbH was awarded the contract for this tender. A framework agreement was concluded, valid from 01.09.2019 to 31.12.2020, including an option to extend twice for two years respectively.

The first option for the extension has already been exercised by ÖBB-Infrastruktur AG. The framework agreement was extended for another two years until 31.12.2022.

WS Service GmbH attaches very great importance to training and further development in the turnout service area. It operates for example the WS Academy at the company's headquarters in St. Georgen, where employees, both of ÖBB-Infrastruktur AG and of external companies, have the possibility to train on turnout equipment during the courses.

WS Service GmbH has also established itself as a reliable partner in the area of connecting and private railways. In cooperation with Rail Cargo Austria AG, connecting railways are comprehensively supported in order to guarantee their operation at a legally compliant standard.

Weichenwerk Wörth GmbH

Weichenwerk Wörth GmbH is Austria's market leader in the production of turnouts, insulated joints and turnout-related logistics services and has also been able to position itself as an exporter to South-Eastern and Western Europe, particularly in the superstructure trade and in the industrial turnouts business sector. The holding in Weichenwerk Wörth GmbH is 43.05%.

Galleria di Base del Brennero - Brenner Base Tunnel BBT SE

ÖBB-Infrastruktur AG has held a 50% stake in Galleria di Base del Brennero - Brenner Base Tunnel BBT SE since 2011 and consequently in the major project "Construction of the Brenner Base Tunnel". The necessary financial resources are made available to ÖBB-Infrastruktur AG by the Republic of Austria in the respective applicable framework plan.

Breitspur Planungsgesellschaft mbH

The corporate purpose of Breitspur Planungsgesellschaft mbH is the planning of the continuation of the 1,520-millimetre broad-gauge rail infrastructure from the border of Ukraine through Slovakia to and in Austria. The holding in this company is 25%.

Logistik Center Austria Süd GmbH

The corporate purpose of Logistik Center Austria Süd GmbH is destination marketing and location development. The focus here is on developing the Villach South location into an international logistics hub and dry port to improve Carinthia's supra-regional visibility as a logistics location and support the establishment of businesses in the rail-related sector. The holding in this company is 50%.

Other principal subsidiaries

Real estate projects are partly handled by outsourced project companies. Of particular note here are ÖBB-Realitätenbeteiligungs GmbH & Co KG, Elisabethstraße 7 Projektentwicklung GmbH & CO KG, Elisabethstraße 9 Projektentwicklung GmbH & Co KG, Gauermanngasse 2-4 Projektentwicklung GmbH & Co KG, Operngasse 16 Projektentwicklung GmbH & Co KG and Mariannengasse 16-20 Projektentwicklung GmbH & Co KG.

The ÖBB-Infrastruktur Group not only provides Austria's rail infrastructure, but is also the employer for a total of 18,609 employees. ÖBB-Infrastruktur AG works with partners in the following areas:
- Construction
- Transport
- Technical services
- Information technology and telecommunication:
- Facility management
- Office material
- Disposal etc

Branch offices

The ÖBB-Infrastruktur Group has no operational facilities or branch offices.

B. General Conditions and Market Environment

B.1. General economic conditions

Global economic development

The year 2020 was marked by the effects of the global corona pandemic. The immediate health consequences of the COVID-19 virus and the health policy measures taken to contain the pandemic have led to a massive global economic downturn. A contraction of 3.5% of global GDP is expected for 2020. That would be the worst recession since the Second World War.[1]

Starting in China, where the first reports of a novel SARS COVID virus became known as early as the turn of the year 2019/20, the pandemic successively spread around the world by the end of the first quarter. The public health reactions were very heterogeneous. The duration and severity of the restrictions on public life to combat the pandemic, as well as the extent of the accompanying fiscal measures, were the determining factors for the effects in terms of the economic development of the individual countries.

After a comparatively drastic lockdown, China was already on the road to recovery from the second quarter onwards.[2] GDP growth for 2020 as a whole even amounted to 2.3%. Measures differed in Europe and in the US states. Compared to Asian and European countries, the latter in particular initially largely refrained from social or economic restrictions; accordingly, Accordingly, the economic downturn was much smaller in the USA, with a decline of 3.4% of GDP, while the entire Eurozone had to record an economic slump of 7.2%.[3]

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

Key figures and forecasts for global economic performance		2019	2020	2021
Gross domestic product, real	Eurozone	1.3	-7.2	4.2
	US	2.2	-3.4	5.1
	China	6.0	2.3	8.2
	World trade	2.8	-4.4	5.5
Global trade (goods and services), real		1.0	-9.6	8.1
Value added in industrial production (manufacture of goods), real *)		2.3	-8.7	-
Crude oil price (USD)		-10.2	-32.7	21.2
Commodity price (USD)		0.8	6.7	12.8

*) Time series only available without a forecast.
Source: IMF, UNIDO.

The incipient recovery in China was also largely responsible for the fact that world trade picked up again in the middle of the year.[4] Overall, the global trade volume nevertheless declined by 9.6% in 2020. The curtailment of global value chains as a result of trade restrictions also led to a collapse in global industrial production. The aviation and automotive industries and suppliers were particularly hard hit.[5] Although there was a slight recovery in the industry from the second quarter onwards, a year-on-year decline of 8.7% was recorded for 2020 as a whole.[6] The downturn in industry also saw the prices of copper and steel fall to record lows. Their downward slide however ended in the middle of the year and by the end of the year they were already above the pre-crisis level. The oil price could only be stabilised after a record low of around USD 26 in April following massive supply cuts by OPEC.[7]

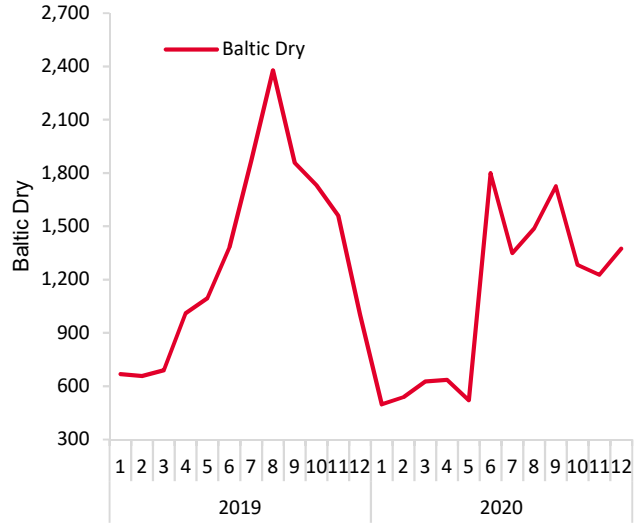
[1] IMF.
[2] IMF.
[3] IMF.
[4] RWI/ISL and Baltic Exchange, Harper Petersen & Co.
[5] Oxford Economics.
[6] IMF and UNIDO.
[7] Finanz.net.

Countries around the world have taken extensive fiscal measures to overcome the COVID-induced economic downturn. Their total size is estimated at around 12% of global GDP. These are largely shouldered by the Western industrialised nations and large emerging economies. Almost half of this was accounted for by direct liquidity provision or tax relief, the rest by state guarantees and commitments.[8] In addition, the central banks have also taken measures to support liquidity. As a result, key interest rates in the USA, the eurozone and Japan remain at zero for the time being. The measures have helped to stabilise the situation on the financial markets as well for the moment. At the end of the year, both the Dow Jones and the DAX had surpassed their pre-crisis levels and were trading at record levels.[9]

Nevertheless, the process of supporting the economy also harbours risks. The favourable liquidity and flanking fiscal assistance lead to corporate insolvencies, especially in the SME sector, being postponed. This, in turn, could ultimately affect the banking sector. In addition, poorer emerging and developing countries in particular are increasingly struggling with financing problems. At the same time, the financial markets are at risk of overheating.[10] At the end of the year, there was a resurgence of the pandemic in many countries. The resultant necessary measures and different recovery cycles in the individual countries could bring about a lasting shift in the global economic structure - especially towards a further strengthening of the Asian emerging markets.[11]

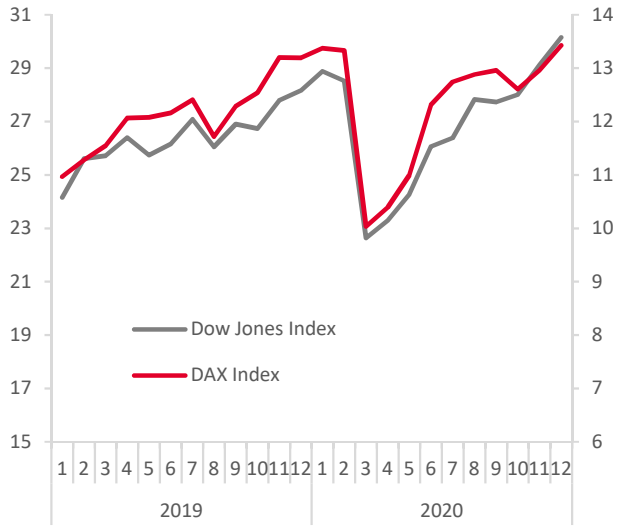
Development of transport prices and stock market indices

Baltic Dry Index for commodity transport prices (index points)



Source: Baltic Exchange.

DAX and Dow Jones (index points in thousands)



Source: Finanz.net

[8] IMF.
[9] Finanz.net.
[10] IMF.
[11] Economist.

European economic development

The European economy was already affected in the first quarter - for the time being indirectly - by the outbreak of the COVID pandemic in China and the accompanying lockdown. European industrial development was just starting to recover after a weak performance in 2019. The onset of the crisis, however, caused a reduction in Chinese domestic demand. That resulted in a decline in world trade and a contraction of international value chains, which put a damper on the incipient upswing.[12]

Then, in February, Italy became the first country in Europe to be affected by the emergence of the virus. Proceeding from there, the public health crisis has led to far-reaching restrictions on the economy as well as on public life in most European countries - albeit with varying degrees of severity and speed. In the first phase of the pandemic alone, in the second quarter of 2020, the economy within the EU slumped by 13.9% compared to the same quarter of the previous year. The service sector was by far the most affected. Tourism, gastronomy and transport suffered a decline of around 25% in the pan-European region compared to the same period last year, followed by industry with a reduction of around 20%. Employment in Europe as a whole declined by around 3%.[13] After the easing of measures and the recovery of world trade, many European countries experienced a catch-up process over the summer, from which industry in particular benefited. This momentum, however, was wiped out in the fourth quarter by a renewed flare-up of the pandemic, and the resulting renewed restrictions on social and economic life, in many European countries.

The global sales crisis has had a notable impact on the European vehicle, steel and aviation industries in particular, which had already been weakening in 2019. Despite extensive support measures, lasting structural changes are to be expected in those sectors. There is a noticeable tendency in the automotive industry to relocate production sites further east. At the same time important suppliers such as ThyssenKrupp or voestalpine are dismantling their automotive divisions.[14]

Most EU countries have initiated extensive aid packages on a national basis to support the economy as well as employment. State-supported short-time work, tax relief at various levels, the moratorium of levies and charges as well as for insolvencies and the assumption of loan guarantees by the public sector count among the most prevalent measures taken in that regard. Direct subsidies in the form of cash and non-cash benefits flow in particular in connection with the (partial) assumption of ongoing fixed costs to enterprises. The prerequisite for this is that the restrictions on public life bring business activity to a standstill.[15] At the EU level, the budget for the years 2021 to 2027 includes a total of around EUR 750.0 billion in corona aid. These are financed by raising collective funds on the financial markets. The ECB also massively expanded its bond-buying program to around EUR 1,350.0 billion.[16]

The individual states were and are affected differently by the coronavirus and have set different priorities. Accordingly, the economic consequences are very heterogeneous. The economic effects due to the pandemic and the health policy measures taken as a result could not yet be conclusively assessed in the fourth quarter - at the time of reporting. Overall, however, the expected growth rates for 2020 are consistently negative. Currently, some Eastern European countries such as Poland, Slovenia or Romania are expected to recover much faster in 2021 compared to Germany or Austria.

Nevertheless, all these forecasts are subject to the further development of the pandemic in 2021. The loss of income due to short-time work and high unemployment are a lasting factor of uncertainty. Private consumption in particular has been a key economic driver in Europe in recent years.[17] Another factor of uncertainty for the European economy is Brexit. Although the withdrawal agreement, including transitional periods for the creation of final solutions in the various areas of the agreement could be concluded by the end of 2020, there are still uncertainties about the further form of the relationship and the consequences of the practical implementation of the withdrawal agreement.

[12] European Commission.
[13] Eurostat.
[14] Handelsblatt.
[15] European Commission.
[16] European Commission.
[17] European Commission.

Austrian economic development

As a small open economy, Austria was particularly affected by the collapse of the world economy and global trade volumes as a result of the corona pandemic in 2020. Merchandise exports and imports plummeted by 7.8% and 7.3%, respectively, in 2020. In contrast to previous crises, which were mostly driven by external effects, this time the economic shock also came from domestic developments. The measures to contain the pandemic led to shutdowns of social life for several months in the second and fourth quarters. That has slowed down large parts of economic activity, especially in the service sector. The shock initially appeared to be purely supply-side in nature. The 8.3% reduction in private consumption in 2020 indicates that this recession, unlike the 2008/09 crisis, has now taken on the character of a sustained demand crisis.[18]

The summer brought a clear economic recovery compared to the drastic slump in the second quarter. Private consumption and domestic tourism in particular developed more positively than expected. The renewed lockdown in the fourth quarter however wiped out that trend. Contrary to expectations in the spring, however, industrial development was far less affected by the downturn due to the overall recovery in world trade.[19] The GDP decline for 2020 overall was 7.5%. The forecasted growth of 3.1% for 2021 is thus not sufficient to compensate for the nominal GDP loss compared to the pre-crisis period. Accordingly, Austria's economic output will not return to its pre-crisis level until 2022 at the earliest.

Key data and forecasts for the economic situation in Austria

Parameter	Unit	2019	2020	2021
Gross domestic product, real		1.4	-7.5	3.1
Industrial production (Index)		0.5	-6.9	4.0
Goods exports		2.1	-7.8	4.5
Goods imports	Change in %	1.1	-7.3	6.3
Gross capital investment, real		4.0	-4.9	4.1
Private consumer spending, real		0.8	-8.3	5.5
Inflation rate (consumer prices)		1.5	1.4	1.6
Maastricht deficit	in % of the GDP	0.7	-10.7	-6.4
Unemployment rate	in % of the labor force	7.4	9.9	9.7

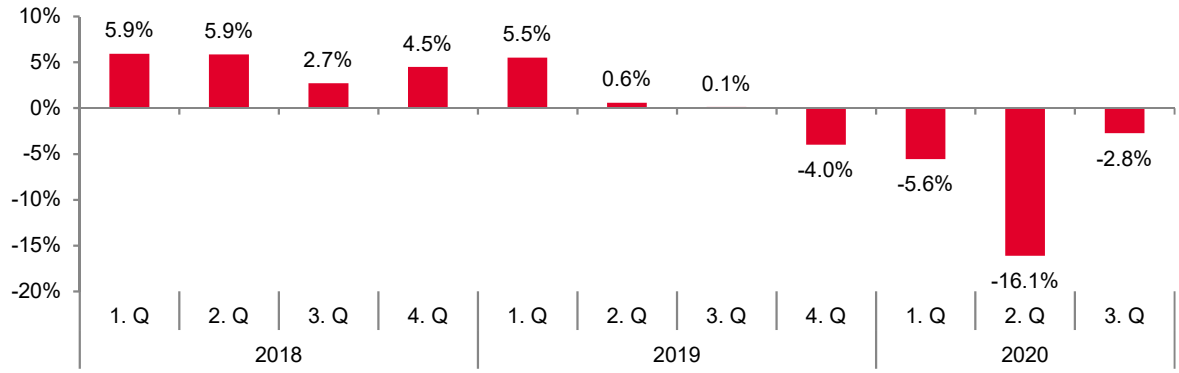
Source: Statistik Austria, IHS, Oxford Economics.

Private consumption and gross fixed capital formation will also not return to their pre-crisis levels in 2021. The economic downturn also has a direct impact on the labour market. Despite the extension of short-time work schemes into the spring of 2021, the unemployment rate is expected to rise by more than 2 percentage points to 9.9% in 2020.

The manufacturing sector is expected to see a reduction in employment in 2021. After a decline in the number of employed persons of 2.0% in 2020, the employment level will also be below the pre-crisis level in 2021. The automotive supply and steel industries in particular are massively affected. The reduction in employment or the permanent closure of production sites at AVL, FAAC, voestalpine or MAN - to name just a few prominent examples - indicates that the industry is preparing for a prolonged crisis.[20] Furthermore, the recovery is likely to be very slow, especially due to the uncertain development of important trading partners such as France or Italy.

[18] WIFO.
[19] ÖNB.
[20] Orf.at, Trend.

Development of industrial production (excluding construction) in Austria (production index, employment-adjusted), change compared to the same quarter of the previous year in %)



Source: Statistik Austria.

In Austria, too, extensive measures were adopted to support the economy and the labour market. Short-time work, tax relief and deferrals as well as subsidies for fixed costs are central elements as well in this regard.[21] These, together with a decline in tax revenues, have led to a budget deficit of 10.7% of GDP in 2020. In 2021, the government's net lending/borrowing is expected to be -6.4% of GDP.[22]

Capital markets and the state budget

Since 2017, the Austrian Federal Financing Agency (OeBFA), among others, has also been raising the necessary funds for ÖBB-Infrastruktur AG's infrastructure investments on the capital market. Financing costs are therefore determined by the interest rate level of federal bonds. The average yields on German government bonds for the period 2020 reached a historic low of -0.1% with an average maturity of around 17 years. Average issue yields were even negative throughout 2020, regardless of maturity, with the exception of the months of April and June. The average of yields on all Austrian federal bonds currently in circulation also remains in negative territory, as it has been in 2019, at -0.308%.[23] That means investors are willing to pay in return for a safe form of investment. This development is observed not only in Austria. In Germany, federal bonds with negative yields have already been issued since mid-2019. The reasons for this development lie in the massive expansion of money supply by the ECB combined with the subdued inflation and economic outlook due to the corona crisis.[24] Austria's credit rating remains high, the outlook of all major rating agencies is stable.[25]

B.2. Political and regulatory framework

The interests of the ÖBB Group are represented externally by the Corporate Affairs department of ÖBB-Holding AG. Employees continuously analyse the political framework conditions for that purpose. They formulate position papers and amendments for ÖBB-relevant legislative initiatives in Austria and Brussels and they prepare information for decision-makers. To this end, they are in continuous contact with ÖBB experts as well as external stakeholders.

The political and media debate in Austria and in Europe was dominated by one central topic last year with COVID-19. The global pandemic and its social and economic consequences for countries and companies were therefore also the focus of the work. Central aspects of that were the cushioning of the negative consequences for the company in passenger and goods transport and in the area of infrastructure.

[21] BMF.
[22] IHS.
[23] OeNB.
[24] Der Standard.
[25] OeBFA.

In the course of that, ÖBB positioned itself as a reliable partner for people and the economy. As a result, even at the height of the pandemic, an almost unrestricted range of passenger trains and bus services was maintained. These services are available to all those who depend on public transport as a safe means of transport and reliable mobility, even in a crisis situation.

The same applies to rail freight transport. At times, especially at the beginning of the first lockdown, other international goods transport connections came to a standstill as a result of border closures. Here, rail transport made it possible to maintain an uninterrupted supply of everyday goods. ÖBB was able to position itself as a reliable partner that not only fulfils its tasks in normal operations, but also in a crisis situation in a stable and reliable manner.

The second COVID-19-related focus concerned presentation of the economic consequences of the pandemic for the transport sector and to develop appropriate countermeasures in that regard. The measures ranged from
- the temporary direct award ("emergency award") of long-distance passenger transport between Vienna and Salzburg to the temporary reduction of the infrastructure charge for freight and private passenger transport on the basis of an initiative of the EU Commission,
- the temporary reduction of the infrastructure usage charge (IBE) for freight and passenger transport - based on a short-term regulation of the EU Commission,
- a significant increase in subsidy rates in the short term within the framework of the current aid model for rail freight transport up to
- an increase in equity capital for Rail Cargo Austria.

The aforementioned action and other measures, such as the use of short-time work offered
- by the legislature for 6,156 employees in the ÖBB Group, as well as
- internal cost-cutting measures,

have for the moment mitigated the enormous economic damage caused to the ÖBB Group of by several hundred million euros.

Cushioning the economic impact of the slump in passenger transport and the decline in goods transport volumes in the crisis year 2020 was however only the first step. It will, from the current perspective, take a longer period of time to return to the passenger numbers and transported freight volumes of the pre-corona era. The consequences of the pandemic will therefore continue to occupy the ÖBB-Holding AG in 2021 and in subsequent years.

Managing topics in Austria

The second central topic of 2020 was climate change and its consequences for society and the economy - although pushed somewhat into the background by COVID-19 compared to previous years. ÖBB was able to position itself more strongly as one of the most important climate protection companies in Austria and to place its concerns for fair competition between rail and road. Two long-standing demands of ÖBB were implemented as part of the eco-tax reform presented at the end of November. They will bring about a significant improvement in the competitive conditions between rail and road: Firstly, the amendment to the Electricity Tax Act exempts the 16.7 Hz traction current that railway undertakings produce themselves from the own-production electricity tax that has applied up to now. Secondly, the electricity levy on traction current will be reduced from the previous 1.5 cents/kWh to the EU average of 0.18 cents/kWh. Both reforms will come into force in July 2021 and will bring enormous tax savings for the ÖBB Group and the entire rail sector.

In addition, the adoption of the new ÖBB framework plan for the years 2021 to 2026 by the Austrian federal government in October 2020, with a record investment volume of around EUR 17.5 billion, was a first major success in the battle against climate change.

In the area of bus transport - keyword Postbus - ÖBB's Corporate Affairs team focused on direct dialogue with stakeholders at federal, provincial and municipal level in the past year. In this way, the basic supply function of the bus for rural areas and the feeder function of the bus lines to the railway hubs are to be given greater emphasis.

One of the focal points of activities in Austria and Brussels in the field of rail freight transport was the Rail Freight Forward (RFF) project. The current 18 members of the initiative are pursuing the goal of increasing the modal share, i.e. the transport share of rail, from the current 18% in Europe to 30% by 2030. The 30% additional increase in transport volumes forecasted by 2030 makes this initiative all the more important.

Furthermore, in the freight sector 2020, ÖBB together with the RFF partners committed to the introduction of the digital automatic coupler (DAC) throughout Europe. The DAC is considered a crucial element for the digitalisation and automation of the European railway system. It is the prerequisite for making optimal use of the capacities of the rail infrastructure, thereby enabling more traffic to be shifted to the railways and thus laying the foundations for climate protection and economic growth.

Position papers and arguments were developed on the following areas and presented to politicians and institutions in Austria:
- Establish best bidder criteria in the Austrian bus market
- Sustainable implementation of the Clean Vehicles Directive in Austria
- Promote renewable traction current in Austria

Managing topics in Brussels

In March 2020, ÖBB Holding CEO Andreas Matthä took over the chairmanship of the Management Committee of the European Railway Association CER. Since then, the Corporate Affairs team has focused on managing CER's work and supporting the CER Chair in representing European railways in Brussels. Given the COVID-19 crisis, work with and within the CER has been characterised by crisis management and joint efforts to obtain EU support for aid to the rail sector, analogous to the aid measures for the air sector.

In the course of that, the CER Chair, together with other representatives of the rail (industry) sector, prepared 16 substantive position papers for the EU institutions. In these papers, the demands on the most important economic, legal and operational aspects of the pandemic were presented in detail. In addition, the CER Chair exchanged views on possible relief measures for the railway sector in conference calls with EU Commission Vice-President Frans Timmermans and Transport Commissioner Adina Valean. Based in no small part on this intensive lobbying by the CER, an initiative was finally taken by the EU Commission to reduce the infrastructure usage charge (IBE) for railway undertakings in freight and passenger transport. For the first time, this allowed the infrastructure usage charge (IBE) to be reduced below the direct infrastructure costs. In December 2020, the EU Commission extended this measure until June 2021.

Corporate affairs activities regarding EU legislation focused on the European Green Deal, the roadmap for sustainable and climate-friendly economic growth. The vision for climate protection and economic growth, which aims to ensure a climate and environmentally friendly Europe by 2050, covers a total of 50 areas. A large number of legal initiatives of relevance to ÖBB were dealt with in Group-wide working groups, such as the strategy for climate protection and CO_2 reduction, the topic of sustainable mobility, the alternative fuels initiative, infrastructure expansion, the Western Balkans partnership, the emissions trading system, the Renewable Energy Directive and the Energy Efficiency Directive. In addition, the Corporate Affairs team actively participated in the European Commission's consultations on Green Deal topics relevant to the railways and drafts amendments in the European Parliament as well as in the EU Council working groups.

Position papers and argumentation were developed on the following areas and presented to politicians and institutions in the EU:
- European Climate Change Act (part of the European Green Deal)
- Promote green energy for rail (part of the European Green Deal)
- Sector integration for the railway system
- European measures for improved intermodal rail freight connections to Eastern European Mediterranean ports (part of the European Green Deal)
- Strategy for sustainable and intelligent mobility (part of the European Green Deal)
- Shift more freight onto the rails
- Bolster night trains in Europe

B.3. Market environment

The Federal Railways Act stipulates that the six-year framework plan for planned investments in rail infrastructure must be adjusted annually. The update of the year 2020 indicates a total investment volume of around EUR 17.5 billion is planned from 2021 to 2026 - including the Austrian share in the Brenner Base Tunnel.[26] The framework plan follows the guiding strategy for the expansion of the ÖBB network. A central requirement is to create the conditions for the gradual introduction of a regular timetable in passenger transport. Furthermore, the requirements for the railway system of the European Union are to be taken into account, including cooperation with neighbouring third countries.

The ongoing Brenner Base Tunnel project and its access routes are of primary international importance. Final adjustments to the planning for the four-track expansion in the Wörgl area were agreed on the Austrian side for the northern approach in 2020. The regional planning procedure for the path selection has begun on the German side.[27] The greatest international importance in eastern Austria is accorded to the Baltic-Adriatic axis with its ongoing construction projects, the Semmering base tunnel and the Koralm railway, in addition to the central Danube axis.

Several other rail connections to our neighbouring countries will be upgraded and expanded in the coming years in accordance with the framework plan:[28]
- Expansion of the northern railway between Vienna and the Czech border
- Electrification of the line from Wiener Neustadt to the Hungarian border at Schattendorf and electrification of the Steirmark Ostbahn to the Hungarian border at Jennersdorf
- Upgrading of the railway connections between Vienna and Bratislava through electrification and full double-track upgrading of the Vienna - Marchegg line as well as full double-track upgrading between Parndorf and the national border at Kittsee
- Modernisation of the Karavanke Tunnel between Kärnten and Slovenia
- Upgrading of the Wels - Passau line (including equipping with the European Train Control System ETCS L2)
- Double-track extension of the line between Lauterach and St. Margrethen (Switzerland)

The latter connection is part of the main line between Munich and Zurich. This line has been electrified throughout since December 2020. This makes it an attractive express train line from Munich to Vorarlberg and on to Switzerland. In addition, it could also develop into a freight access route for the new transalpine railway line (NRLA) through the Gotthard. The NRLA (NEAT) was completed on schedule in September 2020 with the opening of the Ceneri Base Tunnel.[29]

Infrastructure measures are also being implemented in the east and south-east of Austria that have an impact on rail transport to and through Austria. In Slovenia, the railway line between Maribor/Maribor and the Austrian border will be upgraded for higher axle loads and capacities by 2023. This will significantly improve the accessibility of the Slovenian Adriatic port of Koper by rail. In addition, the line between Koper and Divača will be upgraded to double track. Following the invitation to tender in 2020, the construction sections will be awarded in spring 2021.[30]

The connection between Budapest and Belgrade/Beograd will be upgraded to a high-capacity line by 2025 as an extension of the Danube axis in the direction of Turkey and Greece. In Serbia, construction work has been underway since 2019. A first section will be completed by the Russian company RZD International at the end of 2021. A Chinese-Hungarian consortium was commissioned with the expansion of the Hungarian section of the line in 2019. In April 2020, the related loan agreement was signed between Hungary and Chinese lenders.[31]

COVID-19 only briefly affected ongoing construction work on the ÖBB network. Conversely, network utilisation was noticeably reduced in 2020. Measured in gross tonnage-kilometres, passenger transport reduced by 9% and goods transport by 6% compared to the previous year. The strongest declines were recorded in April - with 36% in passenger and 25% in goods transport. In the fourth quarter of 2020, freight rail transport even exceeded its previous year's value with growth of around 6% despite renewed lockdowns. Passenger transport, on the other hand, was about 5% below the previous year's level.[32]

[26] Parliament.
[27] Brennernordzulauf.eu.
[28] BMK.
[29] Swiss Federal Transport Office.
[30] Railway Pro.
[31] Railway Pro.
[32] ÖBB-Infrastruktur sub-group.

The challenges posed by the pandemic led to the implementation of numerous measures to protect staff and contain the spread of the virus. An internal "Corona-traffic light" has been set up for this purpose, which is coordinated with the State traffic light. Each traffic light colour is linked to specific targets in terms of attendance rates, reduction of participants in attendance meetings, increased cleaning and visitor restrictions, etc. Where telework is possible without jeopardising the maintenance of railway operations, the "COVID-19- related" telework scheme has been introduced in order to avoid direct contact as far as possible. A lot of information and tips on the topics of "digital, healthy and social work" have been made available on the Group's intranet in order to offer support to employees in this extraordinary situation. Regular information is also available on the intranet on rules of conduct, hygiene recommendations and news on the page "INFRA.gegenCorona".

C. Economic report and outlook

The 2020 financial year was marked by the impact of the global corona crisis, which was reflected, among other things, in the form of lower train-kilometre performance and the related contributions to earnings. Specific information on the balance sheet and income statement effects is provided in the Notes to the Consolidated Financial Statements in Section 3.

C.1. Revenues

Overview	2020	2019	Change	Change in %
Million train-kilometres	146.9	156.4	-9.5	-6%
Total gross tonnage-kilometres in million	73,161.2	78,698.0	-5,536.8	-7%
Self-generated traction power from ÖBB power plants in GWh	699	722	-23	-3%
Traction power from overhead contact line in GWh	1,662	1,830	-168	-9%
Floor space incl. exterior spaces rented out in thousands m²	2,633	2,672	-39	-1%
Revenue in EUR million	899.4	1,023.5	-124.1	-12%
Total revenue in EUR million	3,329.0	3,380.2	-51.2	-2%
Total revenue per employee in KEUR	180	184	-4	-2%

Performance indicators

The development of train kilometre performance (train-km) serves as an important indicator for assessing the operational performance of the ÖBB-Infrastruktur Group. Compared to the previous year, the performance volume declined by around 9.5 million train-km to a total of around 146.9 million train-km (py: around 156.4 million train-km).

Development of train-kilometers by type of traffic in millions	2020	2019	Change	Change in %
Passenger transport	101.1	107.6	-6.5	-6%
thereof ÖBB Group	*97.2*	*99.2*	*-2.0*	*-2%*
Goods transport	38.6	41.5	-2.9	-7%
thereof ÖBB Group	*27.1*	*30.4*	*-3.3*	*-11%*
Service trains and light engines	7.2	7.3	-0.1	-1%
thereof ÖBB Group	*5.3*	*5.5*	*-0.2*	*-4%*
Total	**146.9**	**156.4**	**-9.5**	**-6%**
thereof ÖBB Group	***129.6***	***135.1***	***-5.5***	***-4%***

Another performance indicator is the development of total gross tonnage-kilometres (TGT km). While in the financial year 2019 around 17.0 billion TGT km or 22% of the total volume was accounted for by external railway undertakings, this figure for 2020 was around 16.2 billion TGT km, which corresponds to 22% of the total volume.

Development of gross tonnage-kilometres by type of traffic in millions	2020	2019	Change	Change in %
Passenger transport	28,380.1	31,111.8	-2,731.7	-9%
thereof ÖBB Group	*27,177.6*	*28,553.1*	*-1,375.5*	*-5%*
Goods transport	43,709.3	46,499.7	-2,790.4	-6%
thereof ÖBB Group	*28,992.5*	*32,292.1*	*-3,299.6*	*-10%*
Service trains and light engines	1,071.8	1,086.5	-14.7	-1%
thereof ÖBB Group	*840.2*	*855.0*	*-14.8*	*-2%*
Total	**73,161.2**	**78,698.0**	**-5,536.8**	**-7%**
thereof ÖBB Group	***57,010.3***	***61,700.2***	***-4,689.9***	***-8%***

Other key performance indicators for the revenues generated are the in-house generation of traction current in ÖBB power plants and the leasable areas of the properties.

The electric power sector developed as follows:

Traction power in GWh	2020	2019	Change	Change in %
Self-generated traction power from ÖBB power plants	699	722	-23	-3%
Traction power from overhead contact line	1,662	1,830	-168	-9%

The rentable space developed as follows:

Floor space incl. rentable exterior spaces in thousands m²	2020	2019	Change	Change in %
Usage by external parties (outside the Group)	675	623	52	8%
Usage by ÖBB Group companies other than ÖBB-Infrastruktur AG	238	321	-83	-26%
Usage by ÖBB-Infrastruktur AG	556	556	0	0%
Vacant and public space	1,146	1,153	-7	-1%
Floor space	**2,615**	**2,653**	**-38**	**-1%**
Exterior spaces rented out	18	19	-1	-5%
Total portfolio	**2,633**	**2,672**	**-39**	**-1%**

The floor area of buildings, including the exterior leased areas, amounted to around 2.6 million m² (py: around 2.7 million m²), of which around a quarter is leased externally. The remainder is leased within the Group, used by the ÖBB-Infrastruktur Group itself or relates to common areas and vacancies.

Revenue

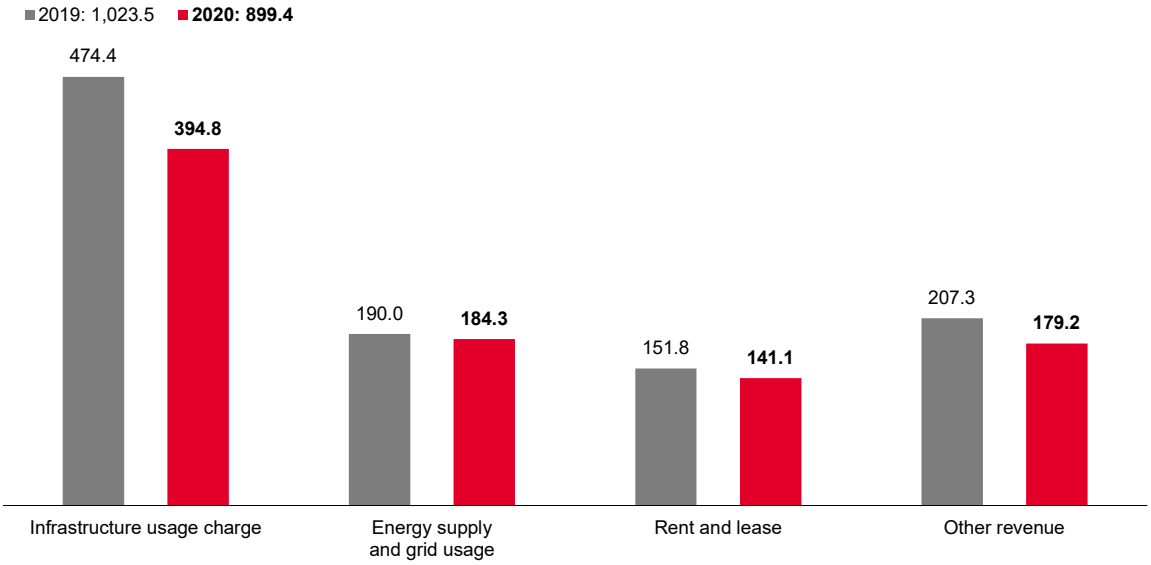
Revenue ÖBB-Infrastruktur Group in EUR million	2020	2019	Change	Change in %
Total group revenue	1,169.8	1,288.4	-118.6	-9%
less intra-group revenue	-270.4	-264.9	-5.5	2%
Revenue	**899.4**	**1,023.5**	**-124.1**	**-12%**
Other income (consolidated)	2,429.6	2,356.7	72.9	3%
Total income	**3,329.0**	**3,380.2**	**-51.2**	**-2%**
thereof with other entities of the ÖBB Group	***658.9***	***714.2***	***-55.3***	***-8%***

As mentioned above, the Group's revenues amounted to around EUR 899.4 million (py: around EUR 1,023.5 million) of which around EUR 658.8 million (py: around EUR 714.0 million) were attributable to companies of other ÖBB sub-groups.

The revenue per employee based on an average of 18,529 employees (py: 18,359 employees) amounts to around KEUR 49 (py: around KEUR 56).

Revenue is mainly generated in Austria. Revenues in the amount of around EUR 21.4 million (py: around EUR 27.3 million) were generated with customers from abroad. These mainly relate to energy deliveries and the infrastructure usage charge.

Development of the group revenue in EUR million



C.2. Results of operations

Overview	2020	2019	Change	Change in %
EBIT[33] in EUR million	490.8	575.2	-84.4	-15%
EBIT margin[34] in %	14.7%	17.0%	-2.3%	-14%
EBITDA[35] in EUR million	1,331.2	1,386.0	-54.8	-4%
EBT in EUR million	10.2	38.3	-28.1	-73%
Return on equity[36] in %	0.7%	2.7%	-2.0%	-74%
Return on assets[37] in %	1.8%	2.3%	-0.5%	-22%

[33] EBIT corresponds to operating profit (not including earnings of investments accounted for using the equity method) in the consolidated income statement.
[34] EBIT margin: EBIT / Total income.
[35] EBITDA: EBIT + depreciation and amortisation.
[36] Return on equity: EBT/ shareholders' equity.
[37] Return on total assets: EBIT / total capital.

Structure of the Income Statement

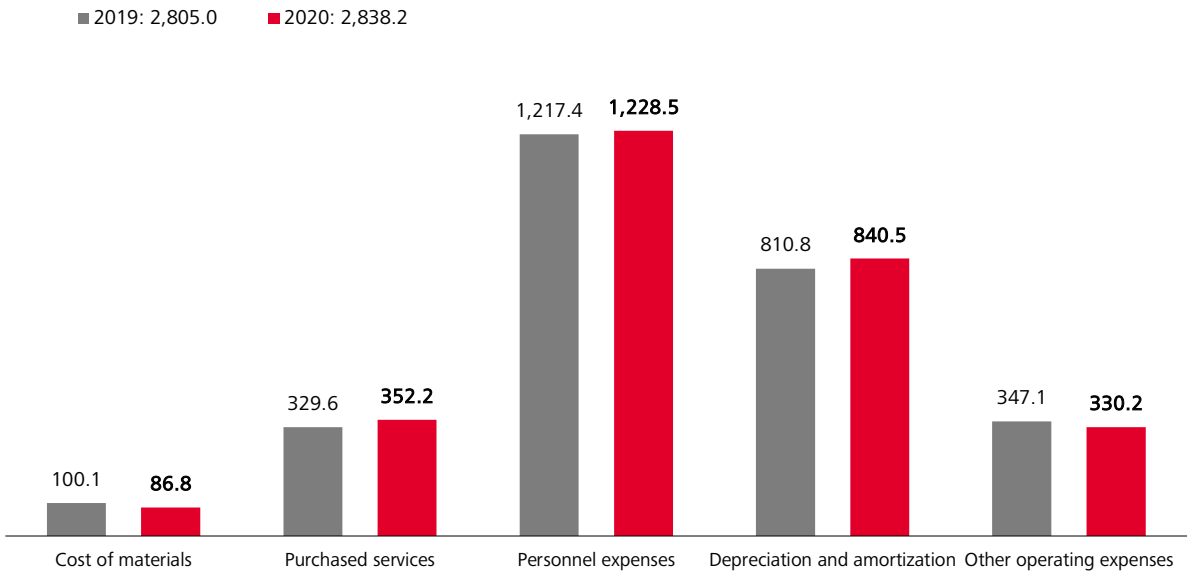
The structure of the Consolidated Income Statement of the ÖBB-Infrastruktur Group is as follows:

Structure of the Income Statement in EUR million	2020	in % of total income	2019	in % of total income	Change	Change in %
Revenue	899.4	27%	1,023.5	30%	-124.1	-12%
thereof ÖBB-Infrastruktur AG	*876.6*		*1,008.7*			
Other own work capitalised	324.9	10%	312.3	9%	12.6	4%
Other operating income and increase/decrease of inventories	2,104.7	63%	2,044.4	61%	60.3	3%
Total income	***3,329.0***	***100%***	***3,380.2***	***100%***	***-51.2***	***-2%***
thereof from other Group entities	***658.9***	***20%***	***714.2***	***21%***	***-55.3***	***-8%***
Cost of materials	86.8	3%	100.1	3%	-13.3	-13%
Purchased services	352.2	11%	329.6	10%	22.6	7%
Personnel expenses	1,228.5	37%	1,217.4	36%	11.1	1%
thereof ÖBB-Infrastruktur AG	*1,107.1*		*1,109.2*			
Depreciation and amortisation	840.5	25%	810.8	24%	29.7	4%
Other operating expenses (incl. impairments on trade receivables)	330.2	10%	347.1	10%	-16.9	-5%
Total expenses	**2,838.2**	**85%**	**2,805.0**	**83%**	**33.2**	**1%**
thereof from other Group entities	***212.0***	***6%***	***233.3***	***7%***	***-21.3***	***-9%***
EBIT	**490.8**	**15%**	**575.2**	**17%**	**-84.4**	**-15%**
Financial result	-480.6	-14%	-536.9	-16%	56.3	10%
thereof from other Group entities	*-6.2*	*0%*	*-2.1*	*0%*	*-4.1*	*0%*
EBT	**10.2**	**0%**	**38.3**	**1%**	**-28.1**	**-73%**

The total income of the ÖBB-Infrastruktur Group in the year under review amounted to around EUR 3,329.0 million (py: around EUR 3,380.2 million), per employee this means an average of 18,529 employees (py: 18,359 employees) an amount of around KEUR 180 (py: around KEUR 184).

Total expenditure in the ÖBB-Infrastruktur Group amounted to around EUR 2,838.2 million (py: around EUR 2,805.0 million) and are distributed among the following expense types:

Development of operating expenses in EUR million



As in the previous year, the average personnel expenses per employee of the ÖBB-Infrastruktur Group amount to around KEUR 66. As in the previous year, this corresponds to a personnel intensity[38] of 43%.

Material intensity[39] amounted to 3% (py: 4%). The average cost of materials and services received per employee amounted to KEUR 24 (py: around KEUR 23).

The ÖBB-Infrastruktur Group achieved a negative financial result in the reporting year of around EUR 480.6 million (py: around EUR 536.9 million).

The EBT increased to around EUR 10.2 million (py: around EUR 38.3 million).

C.3. Net assets and financial position

Overview	Dec 31, 2020	Dec 31, 2019	Change	Change in %
Total assets in EUR million	26,816.9	25,296.7	1,520.2	6%
PP&E-to-total-assets ratio[40] in %	93%	93%	0%	0%
PP&E-to-net-worth ratio[41] in %	6%	6%	0%	0%
PP&E-to-net-worth ratio II[42] in %	88%	89%	-1%	-1%
Equity ratio[43] in %	5%	6%	-1%	-17%

Structure of the Consolidated Statement

The development of the Consolidated Statement of Financial Position structure of the ÖBB-Infrastruktur Group produces the following picture:

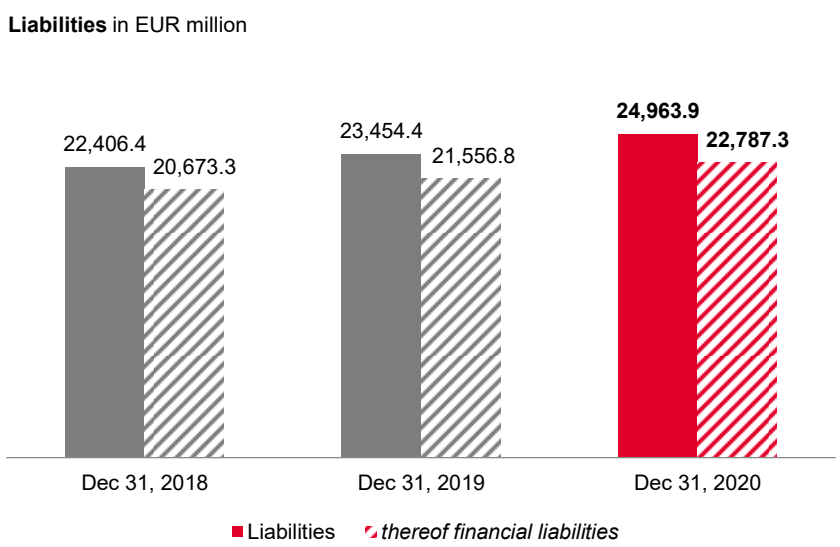
Structure of the Consolidated Statement of Financial Position in EUR million	Dec 31, 2018	Dec 31, 2019	Structure 2019	Dec 31, 2020	Structure 2020	Change from 2019 to 2020
Non-current assets	23,637.9	24,730.0	98%	26,170.2	98%	1,440.2
Current assets	528.3	566.7	2%	646.7	2%	80.0
Total assets	**24,166.2**	**25,296.7**	**100%**	**26,816.9**	**100%**	**1,520.2**
Shareholder's equity	1,427.0	1,420.4	6%	1,440.2	5%	19.8
Non-current liabilities	18,809.7	19,564.7	77%	20,424.2	76%	859.5
Current liabilities	3,929.5	4,311.6	17%	4,952.5	19%	640.9

The total assets of the ÖBB-Infrastruktur Group in the year under review amounted to around EUR 26,816.9 million (py: around EUR 25,296.7 million) The increase in non-current assets is mainly due to investments in property, plant and equipment. More detailed information on investments in the financial year is provided in chapter C.4. Investments and financing measures.

After an increase in equity to around EUR 1,440.2 million (py: around EUR 1,420.4 million), results in an equity ratio of 5% (py: 6%).

Trade receivables decreased from around EUR 202.4 million to around EUR 186.7 million. Working capital[44] was around EUR -519.7 million (py: around EUR -325.9 million).

[38] Payroll ratio: Personnel expenses / total expenditure
[39] Material intensity: Cost of materials / total expenditure.
[40] PP&E-to-total-assets ratio: Property, plant and equipment / total assets.
[41] PP&E-to-net-worth ratio: Equity / property, plant and equipment
[42] PP&E-to-net-worth ratio II: (Equity + non-current liabilities) / property, plant and equipment
[43] Equity ratio: Equity / total capital.
[44] Working Capital: Inventories (excl. real estate recovery projects) + Trade receivables - Trade payables - Prepayments made on inventories.



The liabilities of the ÖBB-Infrastruktur Group increased in the reporting year by a total of 6% to around EUR 24,963.9 million (py: around EUR 23,454.4 million).

For explanations of significant provisions, please refer to Note 26 in the Notes to the Consolidated Financial Statements.

Notes to the Consolidated Statement of Cash Flow

Free cash flow[45] reduced in the financial year to around EUR -1,245.2 million (py: around EUR -852.2 million).

Abstract from the Group Cash Flow Statement in EUR million	Dec 31, 2020	Dec 31, 2019	Change
Cash flow from operating activity	799.5	1,039.6	-240.1
Cash flow from investing activity	-2,044.7	-1,891.8	-152.9
Free cash flow	-1,245.2	-852.2	-393.0
Cash flow from financing activity	724.1	768.1	-44.0
Cash-effective change of funds	-521.1	-84.1	-437.0

A detailed presentation of the consolidated cash flow statement can be found in Note 34 to the consolidated financial statements.

C.4. Capital expenditure and financing measures

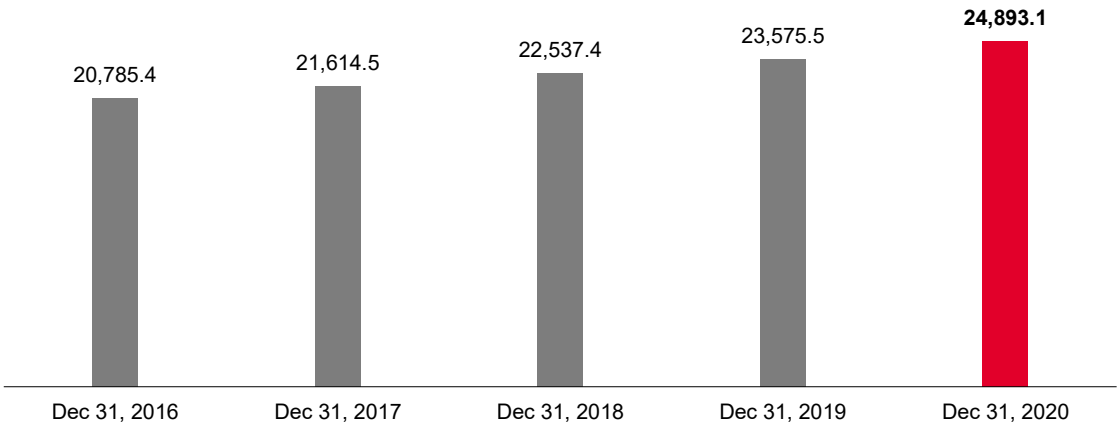
Overview	2020	2019	Change	Change in %
Capital expenditure in EUR million	2,602.0	2,129.7	472.3	22%
Capital expenditure ratio of total income[46] in %	71%	57%	14%	25%
Capital expenditure ratio of carrying amounts[47] in %	10%	9%	1%	17%

In total, the ÖBB-Infrastruktur Group invested in the reporting year around EUR 2,602.0 million (py: around EUR 2,129.7 million), resulting in an investment ratio of 71% (py: 57%) of total income and 10% (py: 9%) of carrying amounts as at 01.01. The calculation is made from the gross investments before deduction of the investment grants.

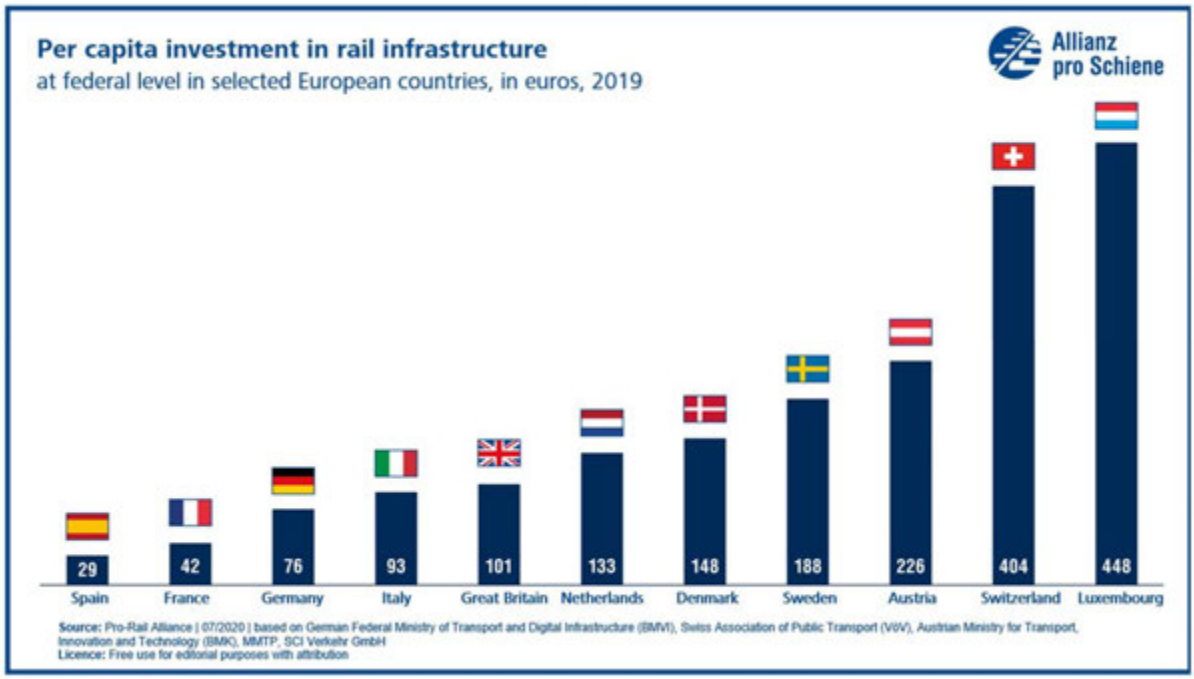
[45] Free cash flow: Cash flow from operating activities + cash flow from investing activities
[46] Capital expenditure ratio of total income: Investment in property, plant and equipment / total income
[47] Capital expenditure ratio of carrying amounts: Investment in property, plant and equipment / carrying amount of PP&E as of 01.01.

ÖBB-Infrastruktur AG has the option of financing debt capital via loans from the Republic of Austria in settlement by the Austrian Federal Financing Agency (OeBFA) instead of via its own bond issues on the capital market. The ÖBB-Infrastruktur AG belongs to the general government sector according to Eurostat 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's financing instruments. Further information can be found in Note 25 to the consolidated financial statements.

Development of property, plant and equipment in EUR million



Austria is among the European leaders in per capita investment in the rail network:



Focus of capital expenditure 2020

The ÖBB-Infrastruktur Group set the following investment priorities in 2020:
- Expansion of the southern line (Semmering base tunnel and Koralm railway)
- Four-track expansion of the western line
- Expansion of freight terminals
- Numerous local transport projects in conurbations
- Railway stations
- Enhancement of tunnel safety on existing lines
- Noise protection measures
- Railway crossings; technical protection, abandonments, replacement measures such as underpasses or overpasses
- Construction of Park & Ride facilities
- Extensive reinvestment, e.g. new track and switch installations
- E-charging infrastructure at railway stations
- Expansion of mobile telecommunications

In the reporting period, work was performed on the following projects: the St. Margrethen - Lauterach (Vbg.) line extension, the Vienna - Bratislava (W/NÖ) selective double-track extension, the Semmering base tunnel (NÖ/Stmk.), the Koralm Railway, the upgrading of the Lavanttal Railway (Ktn.), the upgrading of Bruck - Graz (Stmk.), the upgrading of East Tyrol (Lienz - Sillian), the extension of the Mattigtal Railway incl. the conversion of Neumarkt station into a transport hub (extension Steindorf bei Straßwalchen - Neumarkt/Köstendorf, Sbg.), the four-track extension of the western line between Linz and Wels (Linz Hbf. west side), the upgrading of the Summerau line and Salzkammergut line, the modernisation of the Linz Stadthafen marshalling yard and the Brenner Base Tunnel (T/Italy, BBT SE).

On the Pottendorf line, the double-track extension was started in the Münchendorf - Wampersdorf (NÖ) section. In the Vienna - Bratislava project, the Raasdorf (NÖ) station was opened.

We invest in attractive entry and exit points for our customers. The following stations and stops were completed in 2020:
- Station Gerasdorf (NÖ)
- Station St. Andrä-Wördern (NÖ)
- Station Kirchberg am Wagram
- Station Wernstein (OÖ)
- Station Braunau (OÖ)
- Station Bad Mitterndorf (Stmk.)
- Station Gaisbach-Wartberg (OÖ)
- Station Ternberg (OÖ)
- Train stop St. Georgen a.d. Gusen Ort (OÖ)
- Station Krumpendorf (Ktn.)
- Station Sillian (T)
- Train stop Mittewald/Drau (T)
- Train stop Abfaltersbach (T)
- Station Bad Mitterndorf Heilbrunn (Stmk.)

In addition, the planning projects for the four-track extension of the western line Linz - Wels (OÖ) and Salzburg - Köstendorf (Sbg.), for the electrification of the Mattigtalbahn from Steindorf to Friedburg (Sbg. / OÖ), for the extension of the Nordbahn (W / NÖ), for the connection Schaftenau - junction Radfeld (Brenner-Nordzulauf) (T), border next to Kufstein - Schaftenau (T / Germany), the modernisation of the connecting railway between Vienna Hütteldorf and Vienna Meidling (W), the airport bypass (Lower Austria / Bgld.), the broad gauge railway project (Lower Austria / Bgld.) and the airport branch (Stmk.) as well as the selective double-track extension of the Pyhrn line between Hinterstoder and Pießling-Vorderstorder).

The initial preliminary work for the electrification of the Klagenfurt - Weizelsdorf line took place in 2020. By 2023, the section of line will be thoroughly modernised, stops and crossings adapted or newly built - for more comfort and more safety. Construction of the project is scheduled to start in 2021. The individual construction activities are planned in such a way that all necessary track closures are as short as possible.

Modernisation work on the Karawanken Tunnel started in September 2020. In 1906, the almost eight-kilometre-long railway tunnel was put into operation for the first time. Since then, the Slovenian-Austrian railway tunnel has been an important link on the Munich - Salzburg - Ljubljana - Thessaloniki transport axis. The tunnel will be extensively refurbished and upgraded by autumn 2021 to bring the line up to the latest safety and performance standards.

In addition to investments in the expansion of the rail infrastructure, the construction of the power plants Spullersee (V), Tauernmoos (Sbg.) and Obervellach II (Ktn.) could be started in 2020, thus taking important steps in sustainable energy supply.

In addition, the completion of the apprenticeship workshops in Bludenz (V) and Knittelfeld (Steiermark) in 2020 was an important contribution to ensuring the necessary capacities in the area of apprenticeship training. ÖBB is currently the largest training company in the technical sector with over 2,000 apprentices.

Milestones Major Projects

The Southern Line

The 130 km Koralm railway between Graz and Klagenfurt is 100% under construction. Large parts of the line have already been completed and are partly in operation. The centrepiece of the new high-performance line is the 33 km long, twin-tube Koralm Tunnel. 18 years after the first test drillings, the final tunnel breakthrough took place in June 2020 - one of the most important milestones of this project of the century, which could be followed live on the internet. Also separately from the Koralm tunnel, the development of the Koralm railway is increasingly taking on shape. In September, another section between Pribelsdorf and Mittlern was put into operation on schedule - including a new stop. And the shell of the second longest tunnel system of the Koralm Railway, the Granitztal Tunnel, was also completed. The Koralm Railway is, so to speak, entering the home stretch with the current construction work between Graz and Weitendorf. After completion, passengers will be able to travel from Graz to Klagenfurt in just 45 minutes. Western Steiermark and southern Kärnten will be better connected and more accessible - as will our neighbouring countries.

If all accesses, shafts and connecting tunnels are added together, a total of around 62 km of tunnel will be required for the 27 km long tunnel. After eight years of construction, the halfway point was reached in 2020 - in the meantime, around two thirds of the Semmering Base Tunnel has been constructed. This milestone marks another chapter in the success story of the new southern line.

In 2012, the groundbreaking ceremony was held for the major project "New Semmering Base Tunnel". After a lot of preliminary work, such as the construction of bypass roads, replacement water supply facilities and a landfill, the actual excavation work started in 2014. The Semmering Base Tunnel is being constructed from five locations simultaneously. On most construction sites, access tunnels and shafts first needed to be constructed in advance so that the actual tunnel tubes could be excavated. The reconstruction of Mürzzuschlag station started in 2019. Completion is planned for 2028.

After its completion, the Semmering Base Tunnel will enable travellers between Vienna and Graz to reduce their journey time by 30 minutes. The future line will provide enormous relief in the transport of freight.

The Brenner Base Tunnel

The year 2020 was characterised by intensive construction activity for the Brenner Base Tunnel. More than 136 km of the total tunnel system of 230 km have already been excavated (as of 31.12.2020). The work on the "Innsbruck Main Station" construction section was completed in the first half of 2020. This means that the structural connection of Innsbruck station to the Brenner base tunnel has already been completed.

Construction in the "Sillschlucht" area started at the beginning of August 2020.

The tender planning for the "Sillschlucht-Pfons" construction section was finalised in 2020 so that the works could be put out to tender in January 2021.

Construction work in the section between Pfons and Brenner was stopped on 27.10.2020 as a result of the termination of the construction contract for good cause. In this area, a separate rail connection to the construction site area near Wolf (Steinach am Brenner municipality) has also been available since August 2017. The remaining sections of this construction section will be re-evaluated and optimised in the course of the revised construction program. So that the work is resumed as quickly as possible, completion of the review will be done in two construction sections. The corresponding tenders will be issued with the aim of resuming construction work in the Pfons-Brenner section in autumn 2021.

On Italian State territory, the construction sections Mauls 2-3 and Eisack subway passage are in progress. The southern limit of the Mauls construction section was reached in autumn 2020 with the excavation of the tunnel. The last quarter of 2020 marked the excavation of the first tunnel tube under the Eisack River using a ground freezing method. Work in the Franzensfeste station area also continued in 2020.

Vienna metropolitan area

The double-track expansion of the Pottendorf line is progressing according to plan. A continuous double-track connection between Vienna Meidling and Wiener Neustadt will be completed by 2023. In the Hennersdorf - Münchendorf section, the double-track extension was completed in 2019 while retaining the existing track.

The double-track extension in the Ebreichsdorf section will be completed on a new track, including a new station and a spacious park & ride facility. The main construction measures in this area are planned from 2020 until commissioning in 2023. In 2024, the existing line will be dismantled and the Wampersdorf station will be completed. In the Vienna area, the current single-track section between Meidling station and the Altmannsdorf junction is to be upgraded to double-track by 2023.

In 2020, work also continued at full speed on the Vienna - Bratislava line extension. As a result, it should be possible to reduce journey times between the two capitals by up to 25 minutes from 2023. The project comprises the full double-track extension and electrification of the existing ÖBB line from Vienna Stadlau station to the national border near Marchegg. The stations and stops along the line will be made barrier-free and customer-friendly. The line has been upgraded since October 2016 in order to increase capacity and offer passengers better connections, while maintaining regular train services. The official commissioning of the Vienna section took place with the timetable changes in December 2018. Since August 2018, the Lower Austrian section (ca. 32 km) has been upgraded to double track and electrified.

The Western Line

Since May 2019, the Stadthafen marshalling yard (Linz Vbf. Stadthafen) in Linz's industrial area has been undergoing modernisation. In 2020, intensive work took place on the electrification of the freight transshipment terminal, which is important for the Linz industrial area. In addition, existing tracks were extended to the length of freight trains. Furthermore, an additional track will be laid as a connection to Linz Central Station. After the modernisation of the station, detours and the time-consuming changeover from electric to diesel locomotives will belong to the past. An additional bonus: Less shunting effort also means less noise for the people living in the vicinity of the marshalling yard.

Since September 2019, the west side of Linz Central Station has been undergoing a four-track expansion. This is intended to create further capacity for passenger and freight traffic on the western line. This is the first of three sections, in addition to Linz - Marchtrenk and Marchtrenk - Wels, to create four tracks on the western line between Linz and Wels.

Bundled implementation of reinvestment projects within the framework of line closures

ÖBB-Infrastruktur AG implemented numerous reinvestment projects in 2019 as part of track closures in order to minimise disruptions to the operation of train services.

ÖBB-Infrastruktur AG performed extensive maintenance work on the main line of the Vienna S-Bahn in July 2020 and on the Nordwestbahn in the section between Stockerau and Retz in July and August. Rail replacement services were provided for passengers during the main construction phases of the projects. “West 200" was the theme for the work performed from 18 July to 4 September 2020 along the western line for switch renewals in the areas of Aschbach, Pöchlarn, St. Valentin, Lambach and Steindorf bei Straßwalchen to Salzburg.

ÖBB-Infrastruktur AG uses these measures to ensure that passengers reach their destination safely and on time.

Migration of further route sections to the five operations control centres

In addition, the control areas of the five operations control centres (OCC) were significantly expanded again in 2020. For example, the Marchegg, Krems a. d. Donau, Furth-Palt and Ternitz operating units were migrated to the OCC Vienna and the Hilm-Kematen, Waidhofen a. d. Ybbs, Wernstein, Ternberg and Lahrndorf operating units to the OCC Linz. This means that around 56% of the main network of ÖBB-Infrastruktur AG is already controlled from the five operations control centres.

The OCC disruption concept describes how to return to operations as quickly as possible at a high standard, in the event of a disruption or incident and the disruptions to national and international train traffic kept to a minimum. The disruption concept provides for the seamless transfer of the takeover of OCC systems and operator stations to other OCC locations, which significantly facilitates operations management in the event of a disruption. In this context, the construction of the new Operational Control Centre (OCC) Vienna and the installation of regional replacement workstations with a geo-redundant IT server landscape are planned.

The aim is to avoid infrastructure restrictions.

ETCS – European Train Control System

The ETCS contributes to the standardisation of the European railway system and therefore to interoperable and cost-optimised access to the railway system. This strengthens the position of the rail system vis-à-vis other modes of transport in the long term.

The implementation of the ETCS migration plan enables and ensures interoperability on the basis of European specifications. This assures that the legal requirements are met both technically and in terms of time. It also guarantees close coordination with the OCC program in any case. This ensures the appropriate levels of safety, punctuality and quality for railway operations, which are becoming increasingly compact and complex, and ensures that customer requirements are met in the best possible way.

Digitalisation at ÖBB-Infrastruktur AG

ÖBB-Infrastruktur AG uses digitalisation and automation to further develop success criteria such as punctuality, safety and customer satisfaction as well as to facilitate access to the railway. We think in an interdisciplinary way and drive forward initiatives that arise from digitalisation in a coordinated manner within the Group. These initiatives implement methods of automation and digitalisation in the railway system to improve capacity, economic efficiency and quality through greater efficiency.

We establish the necessary processes and work on providing the required skills and resources against the background of the practical challenge of successfully handling the relevant topics with their many facets. In this way, a central prerequisite is created for a successful and targeted transformation process. The initiatives in the context of digitalisation were defined in close coordination with the affected areas within ÖBB-Infrastruktur AG, as this was the only way to achieve significant improvements that bring direct added value to the operational areas. The initial measurable projects are the train running checkpoints and "Greenlight", the highly accurate location of vehicles. The aim is to provide comprehensive and standardised digital information about vehicles in our rail network and thus support operational processes and further improve safety. Other projects are the Digital Interlocking and the Digital Turnout.

The FSO program has already made ÖBB one of the pioneers in the field of remote control and digitalisation in railway operations. Older interlocking designs are gradually being replaced by modern electronic interlocking systems in order to drive this process forward.

ÖBB-Infrastruktur AG implemented or intensified several cooperative projects with infrastructure operators during the reporting period in order to make efficient use of international findings and developments in the field of digitalisation for the further development of rail operations. This includes, for example, the cooperation between SBB and ÖBB-Infrastruktur AG in the "Smart Rail 4.0" program. In addition, ÖBB-Infrastruktur AG has been a member of EULYNX since 2019 in order to actively promote the further development of interlocking technology and to anchor the benefits of digitalisation.

ÖBB-Infrastruktur AG relies on the concept of "Building Information Modelling" (BIM) in order to increase efficiency in the area of facility provision. BIM is an object-oriented, information-based planning method and links three-dimensional constructions with further information such as product properties, costs, construction sequence, operator-relevant details, etc. This is how digital models become "intelligent". Since 2016, major projects as well as planning projects have been processed using this new digital method. As international standards for BIM in the infrastructure sector are currently still lacking, ÖBB-Infrastruktur AG is actively cooperating with other infrastructure operators from all over the world in the development of standards - the so-called IFC-Rail project of buildingSMART International. A so-called candidate standard for railway infrastructure, which is to be further developed into a final ISO standard in the next few years, was jointly developed and internationally coordinated during the reporting period. In this way, ÖBB-Infrastruktur AG is creating the conditions for an internationally coordinated, homogeneous and consistent data flow and thus the prerequisites for a further increase in efficiency in the area of asset maintenance.

The concept of Building Information Modelling (BIM) is part of the project for the development of data management and data analytics in an "ÖBB-Infra data factory". This data factory focuses on providing processes, methodologies and technical platforms at a high level of maturity in order to provide optimised data-related decisions for planning and controlling business processes. This should improve "predictive" scenarios in the area of action planning and maintenance in the future. The basis for this is a virtual data image of the ÖBB-Infrastruktur in a "Digital Twin ÖBB Infrastruktur", which contains the track and route network and the equipment installation. The Digital Workplace is planning to implement two Group projects required for the digital transformation (Digital Reach & Microsoft 365 Rollout). The process will provide around 8,500 employees in the ÖBB-Infrastruktur Group with a personal IT user for the first time. This means that every employee in the Digital Reach can access the digital services (e.g. Microsoft 365, HR Portal, Intranet mobile) in and out of working hours. In addition, a rollout of the cloud solution Microsoft 365 is being implemented in non-operationally critical areas of the ÖBB-Infrastruktur Group to create a modern, digital workplace as part of the strategic group project "Microsoft 365".

Presentation of the entire framework plan and other investment projects

Project		Capital expenditure 2020 in EUR million	Projected or effected completion
Modification and new construction of stations	Station Abfaltersbach	2.1	2020
	Station Allerheiligen-Mürzhofen	2.4	2020
	Station Altach	6.5	2021
	Station Arnoldstein	6.9	2025
	Stations Bad Goisern and Goisern Jodschwefelbad	3.7	2021
	Stations Bad Mitterndorf and Bad Mitterndorf-Heilbrunn	4.5	2020
	Station Böheimkirchen	2.0	2021
	Station Braunau am Inn	8.0	2020
	Station Fehring	2.5	2021
	Station Finkenstein	0.7	2020
	Station Gerasdorf	1.7	2020
	Station Grieswirt	1.6	2020
	Station Hilm-Kematen	6.5	2020
	Station Kapfenberg	8.3	2020
	Station Kirchberg am Wagram	6.7	2020
	Station Kirchberg in Tirol	2.8	2021
	Station Kirchstetten	16.7	2021
	Station Krumpendorf	4.1	2020
	Station Lanzendorf-Rannersdorf	0.7	2020
	Station Ledenitzen	4.9	2020
	Station Lienz	10.7	2021
	Station Mittewald an der Drau	1.8	2020
	Station Neulengbach Stadt	5.7	2020
	Station Schwaz	16.3	2021
	Station Sillian	1.8	2020
	Station St. Andrä-Wördern	8.6	2020
	Station St. Georgen an der Gusen	1.9	2020
	Station Ternitz	20.8	2021
	Station Trautmannsdorf an der Leitha	1.2	2020
	Station Unter Purkersdorf	7.2	2022
	Station Vienna Praterstern; extension entrance hall	2.2	2021
Parking garages	Jenbach; construction of parking garage	5.5	2021
Greater Vienna	Freight center Vienna South [1)]	19.9	2016/2023
	Expansion of the Marchegger branch [2)]	91.0	2018/2024
	Vienna Meidling – Branch Altmannsdorf; two-track expansion	2.2	2023
	Vienna Hütteldorf – Vienna Meidling; connecting railway	2.1	2027
Western line	Salzburg Hbf; extension of sidings facility (Phase 1); construction	12.5	2020
	Linz city harbour marshalling yard; remodelling and construction of an ESTW (electronic interlocking system)	17.7	2021
	Attnang-Puchheim - Salzburg Central Station; expansion of existing line [3)]	38.6	2024
	Linz – Wels; four-track expansion	52.9	2026
	Linz Kleinmünchen (a) - Linz Central Station; four-track expansion	1.2	2017/2030
	Neumarkt-Köstendorf – Salzburg; new line	2.8	Planning
Southern line	Gloggnitz - Mürzzuschlag; renewal of existing line	1.6	2020
	Vienna Blumental - Wampersdorf; two-track expansion of the Pottendorfer line [4)]	31.7	2023
	Graz – Weitendorf, needs-based upgrade	12.8	2023
	Graz – Klagenfurt; Koralm Railway	314.5	2025
	Feldkirchen - Weitendorf; full extension of the Koralm railway line	15.4	2025
	Wampersdorf – Wiener Neustadt; improvement of line	2.9	2027
	Gloggnitz –Mürzzuschlag; new line (Semmering Base Tunnel)	304.0	2028
	Bruck a.d. Mur – Graz; station conversation	4.4	2027
	Süßenbrunn –Bernhardsthal; expansion of existing line	20.7	2032

Pyhrn-Schober route	Wels – Passau; expansion of existing line [5]	11.7	2020/2028
	Linz Central Station – Summerau; improvement [6]	8.4	2023
	Linz – Selzthal; selective two-track expansion and station conversations	1.8	2034
Brenner route	Innsbruck metropolitan area; new construction of railway stations	4.4	2026
	Brenner Base Tunnel	183.2	2028
	State border near Kufstein – Radfeld junction; four-track upgrade Unterinntal	6.0	Planning
Arlberg route	St. Margrethen - Lauterach; development for local transport and improvement	24.0	2021
	Bregenz – Bludenz; expansion of local transport (Rhine valley concept)	0.5	2029
Programs	Noise protection	6.6	
	Park & Ride	17.5	
	Electrification	29.2	
	Regional rail network concept; line upgrades	15.6	
	Safety and operation management systems	90.2	
	Measures for customer satisfaction (mobile communications, data networks, wireless network)	10.6	
Reinvestments in the railway network		**575.9**	
Others (incl. intangible assets)		**490.5**	
Total master plan and other investment projects		**2,602.0**	

1) Commissioning of the service tracks, KLV and WLV facility took place in 2016. WLV2 and KLV2 facilities will be commissioned in 2021. Phase 2 will be implemented by 2023.

[2] Commissioning of the Vienna section took place in 2018 (Erzherzog-Karl-Straße - Vienna Aspern). Electrification and full double-track expansion in the Lower Austria area will be implemented by 2024.

[3] Commissioning of the Neumarkt am Wallersee station redevelopment in 2020.

[4] Commissioning of the Hennersdorf - Münchendorf section took place in 2019. Expansion in the Ebreichsdorf section will be implemented by 2023.

[5] Commissioning of the Wernstein station conversion in 2020. Implementation "Driving with increased lateral acceleration and ETCS L2" will follow by 2028.

[6] Commissioning of the Gaisbach-Wartberg station conversion in 2020.

C.5. The strategy of the ÖBB-Infrastruktur Group

General conditions and challenges

For more than 180 years, we have been creating the basis for transporting people and goods in a sustainable manner, thus actively contributing to increasing the quality of life as well as Austria's competitiveness. We inspire our customers with a high-performance infrastructure, operational excellence and attractive services - today and in the future.

Our main tasks include the provision of infrastructure capacity as well as the planning, construction, maintenance and operation of rail infrastructure and the provision of rail services. Diverse challenges need to be met in order to be able to continue to fulfil our tasks with high quality, despite changing framework conditions.

That is why we have been working on a new corporate strategy for the next ten years in recent months under the title "#INFRA.mobilitätswende". This addresses the following challenges:

- **Create capacities for the changeover.** ÖBB is the mainstay of the mobility transition in Austria. ÖBB-Infrastruktur AG is being challenged to create the appropriate capacities to make the modal shift in passenger and goods transport possible.
- **Safety and punctuality.** The increasing train density requires safe and reliable handling. Optimised and digitalised operating processes as well as a practised safety culture are the basis for the high future requirements.
- **Liberalisation.** The increasing number of RUs in our rail network requires a further development of the "rules of the game on the network". Dedication of train path capacities for specific modes of transport and a reliable legal framework for the conditions of use of the rail network are necessary.
- **Stabilise finances.** Complexity and thus (absolute) costs are increasing due to the growth of the facilities and increasing technology development. It is necessary to curb cost growth by optimising the depth of value creation, innovation, increasing labour productivity and strategic alliances, in addition to revenue management that is suitable for transport policy and regulation.
- **Promote climate protection and sustainability.** The "Green New Deal" and the decarbonisation of the economy pose serious challenges for the transport sector. We at ÖBB-Infrastruktur AG see our task as further expanding the ecological competitive advantage of the railway system. Energy and climate protection are therefore to be placed at the centre of our actions.
- **Shaping a multimodal future.** The mobility market is undergoing profound change. Transport systems are growing together or developing more and more into networked mobility ecosystems, in which the rail system will continue to gain in importance. We support this future by providing multimodal station and terminal infrastructure as well as facility and operational data.
- **Use digitalisation to become better.** Digitalisation offers us opportunities to create added value for our clients and our organisation. A targeted use of digitalisation opens up the opportunity to connect people more easily and to further optimise our processes.
- **Mastering generation management and increasing diversity.** We need to continue to be an attractive employer with an inspiring and motivating culture of cooperation in order to remain successful in the future. Targeted generation management safeguards the know-how in the company. Innovative forms of cooperation, diversity and equal career opportunities for all employees must distinguish us as an employer in the future.

Strategy and strategy implementation

#INFRA.mobilitätswende, the market strategy of ÖBB-Infrastruktur AG

The overall #INFRA.mobilitätswende strategy is expected to be submitted to the Supervisory Board of ÖBB-Infrastruktur AG for approval in April 2021.

The target network as an essential approach to INFRA's strategy implementation

The target network 2025+ sets the strategic course for the expansion and maintenance of the railway infrastructure in Austria. It creates the conditions for the step-by-step introduction of a timetable for passenger transport and supports the further shift of goods transport from road to rail. The further development of the infrastructure service forms a basis for attracting additional demand for rail. A network development plan (NEP) is being drawn up based on the target network 2025+, which contains targets and specifications for the infrastructure dimensioning of the ÖBB route network.

The specifications and contents of the 2025+ target network and the NEP are then specified, prioritised and transferred to the respective route in stages in the route development plans (SEPs). The SEPs specify the guidelines for the further development of the routes by focusing on strategic objectives and measures. They thus show the way to achieving and implementing the 2025+ target network and form an important element in the operationalisation process. Work has already started on the target network 2040 in order to ensure that the right strategic measures continue to be taken in the future. The focus of the target network 2040 is the identification and prioritisation of expansion investments, especially for the period 2030 to 2040. The target network 2040 focuses on the following priorities, building on the target network 2025+:

- **Interval timetable and travel times:** Reduction of journey times and further development of the integrated interval timetable, especially along the main Austrian axes to improve the interconnection between long-distance, local and regional transport and to embed the Austrian rail network in the European high-speed network.
- **Conurbations and capacities:** Enabling higher frequency and new services for local and regional transport on the basis of expected demand, especially in conurbations, and ensuring sufficient capacity for transport and maintenance.
- **Goods transport:** Support the modal shift targets in goods transport through competitive rail freight transport infrastructure. The focus is on securing the required facilities as well as the train path capacity and quality.
- **Decarbonisation:** Complete decarbonisation of rail transport by 2040 through an economically optimal mix of electrification of lines and the use of vehicles with alternative drive technologies based on the electrification strategy.

Infrastructure - capital expenditure in upgrade and safety

Infrastructure expansion

The annual investment program will be expanded by 5% per year, building on the National Energy and Climate Plan. This is also reflected in the current framework plan 2021 to 2026 - adopted by the Federal Government - with a total volume of EUR 17.5 billion for the next six years. This framework plan initially assures federal funding for new projects worth EUR 8.0 billion.

The expansion and modernisation of the network will make a significant contribution to the local economy. In the process, there is targeted capital expenditure also in rural areas, which in particular provides stimulus for the regional economy - with a focus on small and medium-sized enterprises.

The largest projects in the current expansion program are the Brenner Base Tunnel and the new South line. A further area of focus is on the electrification and upgrading of regional railways as well as the main line of Vienna's rapid transit system. The expansion of freight terminals, the continuation of the station offensive, the Park & Ride and noise protection program as well as a comprehensive safety and operational management package (incl. digitalisation priorities) also contribute significantly to creating a highly attractive rail system for generations in accordance with the target network 2025+.

Park & Ride expansion

The intelligent linking of transport modes is essential for a sustainable and efficient transport system. ÖBB-Infrastruktur AG has already built additional Park & Ride facilities in recent years in order to make the interface between motorised private transport (MIV) and the railway system as convenient as possible. The aim is to continue along this path in the next few years, with more than 2,000 new car parking spaces and at least 1,200 covered parking spaces for two-wheelers. The primary focus for the construction of new Park & Ride facilities (car parking spaces) at transport stations is in the vicinity of conurbations (e.g. within a radius of around 30 km from capital cities). There are no plans to build Park & Ride facilities directly in the capital cities. Park & Ride facilities should be located in such a fashion that motorised private transport is already addressed in a structured manner in the vicinity of the "source" (early transfer to public transport).

E-Mobility

Electric mobility should expand the functionality of the transport station as a multimodal mobility hub, as the number of e-cars will increase significantly in the coming years. The provision of charging facilities will be continued in the course of the construction and expansion of Park & Ride facilities.

In the 2020 financial year, the ÖBB-Infrastruktur Group fleet will comprise 92 electric vehicles, 55 of which will be offered as part of the Austria-wide "ÖBB Rail&Drive" car-sharing service.

ÖBB in transition

The ÖBB Group is now in the midst of a generational change. In 2020, 1,326 employees in permanent positions retired. Of these, 703, or more than half, left the ÖBB-Infrastruktur sub-group. In contrast, 3,503 new hires were added in the ÖBB Group (including foreign countries and apprentices) and 1,243 in the ÖBB-Infrastruktur sub-group. The working environment and the demands on our staff, technologies used and the qualifications required for them are constantly changing. Meanwhile, three generations work together under our roof with the aim of providing the best service for our customers.

Successfully meeting the challenges of generational change requires a strong commitment to our strategic priorities of further strengthening ÖBB as an employer brand, pushing forward our targeted training and further education as well as the most efficient human resources management possible as a solid basis for the optimal planning and management of human resources. The long-term need for employees in the area of so-called mass functions (dispatchers, shunting and technical maintenance) is determined within the framework of strategic personnel planning.

The ÖBB Group continues to position itself credibly - both externally and internally - as an attractive employer in order to meet specific personnel requirements. Personal contact is established at an early stage within the scope of numerous cooperations with relevant educational institutions, especially with technical colleges and universities. It therefore became necessary in 2020 to increase the focus on digitalisation and to offer the respective online formats. This already arouses interest in the ÖBB Group among potential future applicants. The ÖBB-Infrastruktur sub-group is committed to the diversity of its employees reflecting the diversity of people in our society. Numerous measures increase the attractiveness of the company for diverse population groups. These include training and coaching opportunities for women, the priority program to increase the proportion of women train dispatchers, the increasing flexibility of working hours and place of work, and projects for people with a migration background. In 2020, the Women's Career Index was established in the ÖBB-Infrastruktur sub-group to systematically increase the attractiveness of the company for women.

The company supports its employees and managers with a coordinated and comprehensive range of training courses from the time they join the company to the time they leave it, in the spirit of lifelong learning and the continuous development of employees in line with professional requirements. The ÖBB-Infrastruktur Group places a special focus on the training of technical apprentices in the company's own training workshops. In 2020, around 1,800 apprentices were trained, especially in railway-specific apprenticeships, using modern teaching materials and teaching methods. 473 apprentices successfully passed their final apprenticeship exams this year and 304 of them were taken on as permanent employees. Appropriate education and training centres are also available for permanent staff. New employees are quickly integrated into the company, job-relevant knowledge is systematically built up and it is also ensured that acquired knowledge is secured and passed on to the next generation. Talent relation management for alumni even enables the reintegration of knowledge into the company in certain cases.

Sustainability and climate protection - rail and bus as sustainable mobility providers

ÖBB-Infrastruktur AG supplies the RUs on the electrified Austrian rail network with 100% traction current from renewable energy. The company's own eight hydroelectric power plants, which generate about one third of the traction power required, play an important role in this regard. In addition, there is the world's first traction power solar power plant in Wilfleinsdorf, Lower Austria.

ÖBB has positioned itself as Austria's largest climate protection company and defined a number of strategic goals. These are among others:
- increasing self-generation from renewable energy sources (water, wind, sun) to economically secure the electricity supply,
- increasing security of supply and stabilising electricity costs, and
- a gradual changeover to 100% CO_2-free energy supply for the railway infrastructure.

The Tauernmoos power plant project, with an investment volume of around EUR 300 million, will enable the hitherto unused energy potential between the two largest existing reservoirs, Tauernmoossee and Weißsee, to be exploited and a pumped storage power plant with a capacity of 170 MW to be built. ÖBB power plants supply electricity at stable costs, independent of price developments on the energy markets, and make a significant contribution to increasing security of supply. Own generation will increase to just over 40%, including partner power plants even to 67%. The ÖBB-Infrastruktur Group is making a significant contribution to CO_2-free rail travel and to achieving the Austrian and European climate and environmental targets through the Tauernmoos power plant project.

ÖBB-Infrastruktur AG currently operates two hydroelectric power plants in Kärnten, Obervellach and Lassach, with a total annual energy production of around 92 gigawatt hours (GWh). These power plants have been in operation for more than 90 or 100 years and will reach the end of their technical service life in the next few years. The "Obervellach II power plant" project will replace the existing Obervellach and Lassach power plants, with due regard to the European water management framework conditions. The new power plant will then have an annual energy production of around 125 gigawatt hours (GWh), which will increase energy production at the Obervellach site by more than 35%. The total project costs amount to around EUR 177.0 million.

The reinvestment project "Spullersee power plant, site optimisation (construction)" also makes a significant contribution to achieving these strategic objectives. In addition, the increasing volume of rail traffic and in particular the densification of rail traffic (interval timetable) requires an increase in the performance of the traction current system. The Spullersee power plant uses domestic hydropower and is used to supply environmentally friendly, CO_2-free traction current as fuel for the "green railway".

In addition to the projects to expand hydropower, ÖBB is also committed to the expansion of railway-owned photovoltaic and wind power facilities. In 2015, the world's first 16.7 Hz traction current photovoltaic installation went into operation in Wilfleinsdorf (Lower Austria). In 2020, two more traction power photovoltaic installations were added: an on-roof system on the roof of the Auhof frequency converter and a pilot project of a photovoltaic installation on a noise barrier near Tullnerfeld station. The main purpose of the facility is to gain experience with different FV technologies on vertical surfaces and to observe the interactions between railway operation and electricity production. Three further traction power PV facilities are already in the tendering phase and are to be implemented in 2021. In addition, the world's first 16.7 Hz prototype wind power facility with around 3 MW and a production of 6.75 GWh is scheduled to go into operation at the end of 2021 and feed directly into the overhead line of the Eastern Railway (Vienna - Budapest). As the 16.7 Hz technology required is not yet available on the market, components necessary for implementation are being developed in cooperation with the manufacturer.

These projects will strengthen ÖBB's positioning as Austria's largest climate protection company.

Innovation - with new ideas to success

Innovation as an important lever for strategy achievement

Innovation is an essential lever for achieving the strategic goals of the ÖBB Group. Some successes have already been achieved in the past few years. It is important however to continue the work continuously and to anchor innovation more firmly in the company as a strong driver for strategy implementation. Innovation topics derived from the strategy and the focus on the core business make a significant contribution to further strengthening the competitiveness of the rail system.

Research and development as the basis for innovation

Strategy-led research and development is at the core of our development efforts. Multi-year perspectives are created through clearly defined corporate research areas, which we manage using associated, long-term R&D roadmaps. We position ourselves together with strategic partners from various competence networks as the national lead partner of the railway supply industry and core team partner in consortia. Participation in European research programs is a high priority in order to bundle research and development activities with international partners. This is also reflected in the "Shift2Rail" initiative. In a joint effort with other European railways, industry and the European Commission, measures are being brought together to make tomorrow's railways more punctual, reliable and cost-efficient.

Open Innovation

The ÖBB Group has established the Open Innovation method in order to strengthen the culture of innovation. New solutions and services are being sought together with internal stakeholders and customers in order to shape the rail travel of tomorrow. This includes professionally qualified staff, suitable premises such as the "Open Innovation Lab", a wide range of methods and competent staff to enable innovation. The principle of "rapid prototyping" is applied in the implementation of innovation initiatives: Ideas are quickly developed into prototypes, which are immediately tested in the market with customers and further developed on the basis of feedback. The repetitive process allows ideas to be efficiently and quickly shaped into relevant products, services and processes. his method creates the possibility to understand customer needs in a short time and to tailor products for them.

Ideas workshop as CIP - Continual Improvement Process

The promotion of the potential of ideas submitted by all ÖBB employees and the so to jointly advance the further development of the Group's future is the aim of the ideas workshop. This is how we want to continuously optimise our products, services and processes. Internal experts check which ideas are to be carried forward to the next stages. In 2020, 384 ideas were submitted by employees in the ideas workshop and 103 of them were successfully implemented. Thanks to these improvement measures, we have managed to save around EUR 9.0 million since 2015.

C.6. Other important events and outlook

Outlook for the ÖBB Group

Outlook

The COVID-19 pandemic has temporarily interrupted strong global and national growth. The transport industry will, however, emerge stronger from the crisis in the medium term. ÖBB is confident that the various economic stimulus programs and the increasing demand for sustainable mobility solutions will lead to a solid market recovery.

Besides dealing with the economic and social impacts of the current COVID-19 pandemic, climate protection is the greatest challenge facing society. ÖBB is part of the solution.

The European Green Deal as an opportunity for the rail sector

The European Commission presented the "Green Deal" as the EU's new strategy for economic growth and climate protection at the beginning of 2020. It is the new EU economic strategy. The Green Deal includes a set of strategic goals that will make Europe the world's first carbon-neutral continent by 2050. If the objectives of the Green Deal in climate protection are to be achieved, however, the mobility offer in Europe must be radically transformed. Consequently, many of the legislative measures based on and planned for the Green Deal offer great opportunities for the rail sector in Europe. As part of the Green Deal, the European Union wants to promote sustainable mobility services across the EU and invest in the greening of the transport system and the development of sustainable transport infrastructure. The EU Commission will continuously present new legislative proposals for the implementation of the Green Deal in the coming years. A Group-wide "Green Deal" steering group has been established under the leadership of ÖBB-Holding / Corporate Affairs in order to anchor the positions of ÖBB and the European Railway Association CER in these legislative proposals.

Today. For tomorrow. For us.

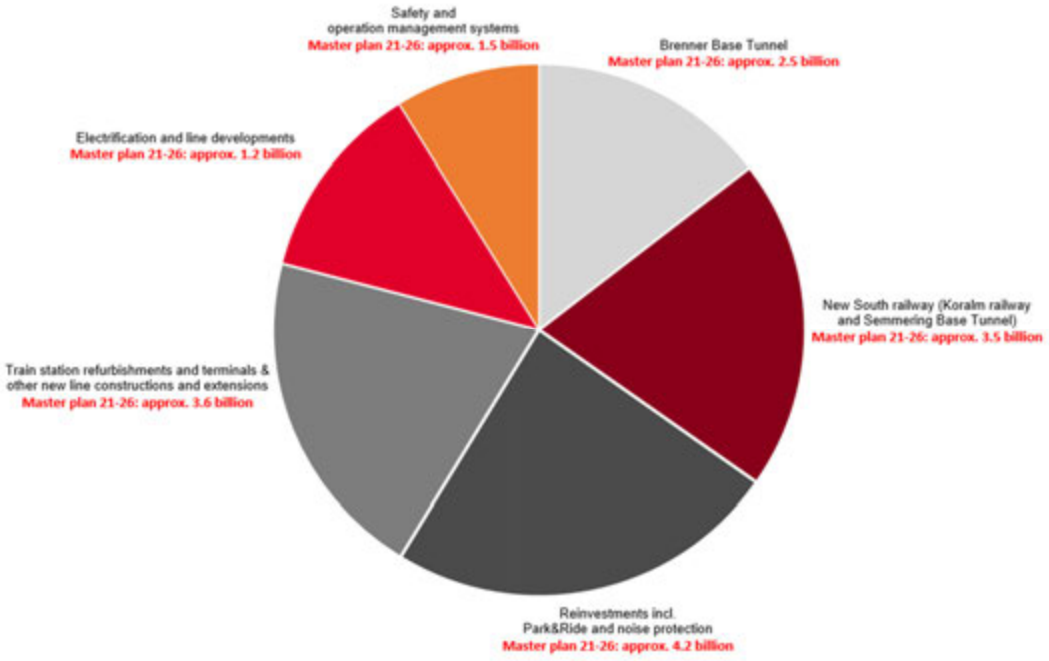
Whatever ÖBB works on today makes sense for tomorrow and for all of us.

ÖBB is an engine for the economy, an international group, a reliable business partner, driver of innovation and protector of the environment. Yet above all ÖBB is an attractive employer. There are more than 40,000 employees in total representing the face of ÖBB and the key to the corporate group's success. ÖBB is aware of its responsibility for society, for Austria and for the environment. They are already at work on a daily basis to ensure that our children and grandchildren will also find an environment worth living in tomorrow, as we know and appreciate it today. The claim is to always be able to offer the best options for the customers, the country, the economy and the environment. In this context, ÖBB wants to continue to be the most sensible means of transport for all travellers and at the same time the most sensible solution for the environment.

Outlook ÖBB-Infrastruktur Group

Framework Plan 2021 to 2026

We will invest over the next six years around EUR 17.5 billion in a modern railway network. The framework plan 2021 to 2026 will continue all projects of the framework plan 2018 to 2023, and new projects with a total volume of around EUR 8.0 billion have been included. The framework plan 2021 to 2026 puts key aspects of the current government program in the rail sector on track. The planned expansion of services and the introduction of the 1-2-3 ticket will make an important contribution to achieving climate neutrality.



Individual sections of the Koralm Railway are already in operation, and the next major partial commissioning is scheduled for 2023. At this time, the line sections on the Kärnten side go into operation (Klagenfurt - St. Paul im Lavanttal). The overall commissioning is planned for the timetable change at the end of 2025. About two thirds of the excavation work on the Semmering Base Tunnel has already been completed. The commissioning of rail traffic through the tunnel is planned for the timetable change at the end of 2028.

Climate protection

As a safe, cost-efficient and sustainable means of transport, rail has unique advantages. A journey by train is 27 times more environmentally friendly than by car in terms of the generation of greenhouse gas emissions. Freight is transported 41 times more environmentally friendly by rail than by truck. In this way, ÖBB annually saves the climate around 4.2 million t CO_2. The railway is also the most energy-efficient means of transport. In Austria, 13% of passenger kilometres travelled on land and 31.5% of domestic goods transport is handled by rail. The share of rail transport in the energy consumption of domestic transport, however, is only 2%.

The energy supply of the Austrian railway network is ensured by the traction power supply system. 8,000 km of overhead lines are connected via a 2,000 km long distribution network for traction current. Eight ÖBB traction current hydropower plants and four other partner hydropower plants supply traction current directly to the traction current grid. Seven frequency converters connect the traction current network, which is operated at a frequency of 16.7 Hz, to the public 50 Hz networks. The electricity obtained via these frequency converters also comes 100% from renewable energy sources (secured with guarantees of origin).

Even now, 100% of the traction power is supplied from renewable energy sources. In addition, by feeding energy directly into the railway's own grid, existing renewable energy resources are used where consumption occurs. This direct link between electricity generation and rail transport is a successful example of sector coupling (power-to-mobility). This relieves the public electricity grid and losses for conversion and transport are avoided.

Two hydropower expansion projects and one revitalisation project are currently being implemented. The hydropower sector is currently implementing two expansion projects and one revitalisation project. The planned facilities will increase production by about 45 GWh per year. In addition, benefits to the hydromorphological conditions will be achieved in the water bodies affected as a result of the redesign. The new construction of the Tauernmoos pumped storage power plant will open up the previously unused difference in altitude between the existing Tauernmoossee and Weißsee reservoirs. The pumped-storage power plant with a capacity of 170 MW and an additional annual production of around 16 GWh will not pollute any additional water bodies. In addition, the Spullersee power plant in Vorarlberg is undergoing the largest conversion project in its approximately 100-year history. The power plant upgrade will modernise the pressure pipeline and the tunnel to the state of the art and secure the traction power supply in Vorarlberg.

ÖBB is a pioneer in the field of 16.7 Hz photovoltaic technology. In 2015, the world's first 16.7 Hz traction current solar power plant was commissioned in Wilfleinsdorf, Lower Austria. The possibilities of integrating modules on noise barriers, cuttings and railway embankments on new lines, such as the Koralm railway, are also being considered.

ÖBB had six photovoltaic installations on buildings with a total output of 313 kWp by the start of the photovoltaic expansion program in 2020. In 2020, based on the feasibility study, the construction of further photovoltaic installations was started - 16 installations with a capacity of 1,270 kWp were built. By 2030, 25 MWp of expansion capacity is to be achieved on top of buildings.

ÖBB is also engaged in the field of wind power in addition to the expansion of solar power. At the end of 2021, the world's first 16.7 Hz prototype wind power facility with around 3 MW and a production of 6.75 GWh is to start operation and feed directly into the overhead line of the Eastern Railway (Vienna - Budapest). A roll-out of wind power capacity is planned for the following years based on the operational experience gained with the prototype wind power facility.

Digitisation

ÖBB-Infrastruktur AG is already testing future-oriented technologies (cloud-capable solutions) in the area of interlocking systems and is increasingly focusing on cooperation with partner railways (DACH) in the area of digitalisation so that our customers may also benefit from the advantages of digitalisation in the future. Smart field elements for innovative diagnostics, the resolution of limited control ranges and more hardware-independent reinvestment cycles will make a positive contribution to optimising life cycle costs and more efficient maintenance in the medium to long term.

The optimisation of the cost structure is the focus of the further development of an innovative railway crossing safety system for regional railway lines. It is intended to provide further impetus for new developments in this area as well as a basis for future regulations. In addition, the possibilities of blockchain technology for the integration of security systems into the overall system using 5G networks for data connectivity are being evaluated. The "Innovative Regional Rail Technology" program bundles the use of innovative technology for regional railways in order to optimise the attractiveness and economic efficiency of these lines.

The European Train Control System ETCS Level 2 is the basis for any future automation in the areas of rail traffic of relevance to safety. ÖBB-Infrastruktur AG is pursuing the goal of implementing ETCS Level 2 throughout the heavily loaded route network and thus gradually replacing the ageing intermittent traction controls (PZBs). This measure contributes to a sustainable improvement of the existing safety performance.

The modernisation of the planning, scheduling and handling of AVZ services (services for facilities, shunting, train preparation) is being tested as a prototype in the "PORTHOS" project and subsequently implemented. This reduces media disruptions and minimises regular, manual activities. The objective is to create a highly automated feasibility check and disposition of all shunting locations by means of standardised interfaces. Five legacy applications will also be replaced through new, more process-optimised software implementation. The digitalisation of operational processes in rail operations will also reduce numerous manual activities and media disruptions through highly systemic support and the transmission of departure-accurate timetables and train documents via data interfaces. This will allow for the elimination of paper printouts, more precise dispatching, higher clocking as well as higher operational safety for train drivers, as targeted information will be available.

An automated conflict detection and resolution system is gradually being implemented in the digital traffic management system modules of ÖBB-Infrastruktur AG in order to be able to manage the increasing number of train journeys. The developments from the AZL project - adaptive train control - identify conflicts on the rail network on the basis of continuously updated data and by means of intelligent algorithms. The automated resolution of conflicts is then implemented gradually in stages. The information of the optimised operational sequence is passed on to the drivers of the respective train via defined interfaces as a driving recommendation. This intelligent influencing of train traffic allows efficiency to be further increased, positively impacting operational quality and energy requirements.

In the course of digitalisation, data acquisition and data analysis of sensors such as train running checkpoints is also gaining in importance, as these are increasingly used as a basis for predictive maintenance applications and further optimisations in terms of cost reduction as well as for increasing safety and efficiency. Digitised information and solutions in ÖBB-Infrastruktur, such as the ÖBB Infra-InfoHub, also allow information to be networked with other transport infrastructure operators and thus form the basis for multimodal transport management.

The consistent expansion of the data network will have created the technical basis for network segmentation (data network separation) by the end of 2020. This is accompanied by an increase in data network security (separation of operational network segments from office network segments), which is further strengthened by the already implemented expansion of systems for network security (including dDos). The Building Information Modelling (BIM) project, which maps an information-based planning method in coordination with other railway infrastructure operators, was launched in 2016 in order to realise digitalisation and the associated increase in efficiency in the provision of facilities. This method is already in use for individual large-scale projects as well as planning projects.

The MovIT (Modular Linked IT) program within the Route Management and Facility Development business unit was launched in 2017 with the aim of establishing a future-proof IT landscape for process-supporting and facility data management applications. In doing so, existing databases and applications are replaced while new applications are developed based on the needs of departments, corporate administrative units and regions.

The concept of Building Information Modelling (BIM) is part of the project for the development of data management and data analytics in an "ÖBB-Infra data factory". This data factory focuses on providing processes, methodologies and technical platforms at a high level of maturity in order to provide optimised data-related decisions for planning and controlling business processes. This should improve "predictive" scenarios in the area of action planning and maintenance in the future. The basis for this is a virtual data image of the ÖBB-Infrastruktur in a "Digital Twin ÖBB Infrastruktur", which contains the track and route network and the equipment installation. The Digital Workplace is planning to implement two Group projects required for the digital transformation (Digital Reach & Microsoft 365 Rollout). The process will provide around 8,500 employees in the ÖBB-Infrastruktur Group with a personal IT user for the first time. This means that every employee in the Digital Reach can access the digital services (e.g. Microsoft 365, HR Portal, Intranet mobile) in and out of working hours. In addition, a rollout of the cloud solution Microsoft 365 is being implemented in non-operationally critical areas of the ÖBB-Infrastruktur Group to create a modern, digital workplace as part of the strategic group project "Microsoft 365".

Earnings outlook

Budget and medium-term planning 2021 to 2026 are based on the strategic Group goals. The actions of the ÖBB Group over the next six years are geared towards expanding services with a focus on customer benefits and economically sustainable growth.

D. Research and development

The stakeholder process launched by the Federal Ministry of Transport, Innovation and Technology in 2019 for the strategic orientation of Austria's research, technology and innovation activities in the railway system was the starting point for ÖBB-Infrastruktur AG to revise and update its own research program. This process interacted with the process for drawing up the strategy of ÖBB-Infrastruktur AG and the strategic thrusts derived there for ÖBB-Infrastruktur AG for the coming years. The research directional priorities for the years 2021 to 2028 derived from the R&D strategy program are Simulation in the Digital Twin, Intelligent Train Control, Key Components Infrastructure Elements, Condition-based and Predictive Maintenance, Nature, Environment and Green Energy Provision as well as Train Preparation and Shunting. A total of 20 operational R&D flagship initiatives were developed for all of these.

The underlying project portfolio ensures that the focus is on research fields with a strong European context and that successful R&D can generate a sustainable increase in capacity, productivity and quality in the railway system. This is also attributable to the fact that the Strategic Research & Innovation Agenda of ERRAC (European Rail Research Advisory Council) as well as the technology strategy of the ÖBB Group were always taken into account for overarching orientation.

In 2020, the R&D agenda of ÖBB-Infrastruktur AG was also very much characterised by the preparation or launch of major R&D initiatives.

The "TARO - Towards Automatic Railway Operation" project submitted at the end of 2019 as part of the national tender "Automation and Digitisation in the Railway System" with the focus topic "Automation & Digitisation in the Railway System" was successfully awarded the contract in April 2020. In July 2020, the project was officially launched with the various kick-off events for the individual work packages. Their content addresses three focal aspects: Simulation of railway operations in the digital twin, train control system "Light" without external light signals on regional railway lines, communication and supply of autonomous, digital elements along main and regional railway lines, shunting of the future by redesigning shunting processes using new technologies. The TARO project is scheduled to run until mid-2023.

Likewise at the end of 2019, ÖBB-Infrastruktur AG decided to participate with a submission in the research call published as part of the national funding program "COMET - Competence Centers for Excellent Technologies". The focus of the research priorities was directed towards the components of the track as well as the components of the bridge and tunnel, whereby the instruments of digitalisation and simulation were once again at the centre of attention in order to cope with the challenges to be expected in the future. The content of the research priorities was formulated under the coordination of ÖBB-Infrastruktur AG as consortium leader together with selected partners from industry and science. The submission of the project with the final title "Rail4Future - Resilient Digital Railway Systems to enhance Performance" was completed on time at the end of June 2020. An award decision is expected by the end of 2020.

Since March 2020, ÖBB-Infrastruktur AG has also actively supported the ambitions of ÖBB-Holding AG in participating in the European partnership Transforming Europe's Rail System (Shift2Rail-II for short) as a founding member on behalf of the ÖBB Group as a whole. This was achieved, among other means, by ÖBB-Infrastruktur AG working together with the other Group companies ÖBB-Personenverkehr AG, ÖBB-Technische Services-Gesellschaft mbH, ÖBB-Produktion Gesellschaft mbH and Rail Cargo Group AG, as well as ÖBB-Holding AG as the coordinating body, in the development of a joint project portfolio. ÖBB-Infrastruktur AG has identified the following research fields in this project: GoAx Mainline, Automated Resource Planning, Digital Twin, Automated Train Preparation, Cost Efficient Regional Railway, Future Regional Stations, Condition-based Maintenance and Predictive Maintenance, Mobility as a Service, European ZLZP, Rail Noise Lab. The decision on the future status of ÖBB-Holding AG in Shift2Rail-II will be made at the beginning of 2021 at the earliest and thus also whether and how ÖBB-Infrastruktur AG will participate in this program.

Many other ÖBB projects were again supported by national and European funding programs in 2020 in addition to these two focal points. ÖBB-Infrastruktur AG, for example, continues to be involved in the "Shift2Rail Joint Undertaking". The objective is an increase the competitiveness of the railways in Europe. At the national level, there is close cooperation with the Federal Ministry of Education and Research (BMK) and the Austrian Research Promotion Agency (FFG).

In 2020, as at the reporting date of 31.12.2020, ÖBB-Infrastruktur AG was working on 91 partly interrelated and overarching R&D projects as well as the two research programs Transport Infrastructure Research VIF and Shift2Rail, each with several individual projects.

The current project portfolio has a total volume of around EUR 18.7 million (for all current projects and their respective durations up to and including 2024 without deduction of subsidies).

Extract of current projects

The R&D initiatives described in extracts below, some of which are made up of several but interrelated individual projects, are presented in the context of the R&D lighthouse initiatives developed in the course of the strategic research initiatives.

Simulation in the Digital Twin

The overall objective of this research initiative is to provide a virtual environment in order to,
- answer questions regarding the control and planning of capacities in the railway network in "real time",
- be able to forecast the associated temporal cost developments of the necessary infrastructure in defined quality and availability with methods of probabilistics
- as well as being able to simulate the use of new technologies, components and processes virtually, thus significantly shortening innovation cycles.

The R&D activities conducted so far in this context have advanced the method of mobile mapping to such an extent that it was finally possible to successfully demonstrate how a virtual image of the infrastructure can be created by means of several demonstration projects. The technology framework for enabling this platform useable for simulations, has been lacking until now. Today, the corresponding capabilities are available, especially for processing large amounts of data that are complex in their structure. These are intended to enable the simulation of operating scenarios and scenarios for the development of energy grids and also the simulation of plant degradation under various boundary conditions still to be defined.

Positioning and train integrity

The R&D Greenlight initiative, which has advanced over several years, not only forms the basis for future rail operations (AZL/ATO), but also for cost-efficient regional rail technology of the future. Work on the approval concept for an extended Greenlight box for SIL4-capable positioning of vehicles, including ensuring train integrity, is currently at an advanced stage. It is planned to process corresponding combinations of different sensors in a decision-making system in order to be able to guarantee SIL2 or SIL4. Final work on the approval concept and test drives for the optimal choice of sensor combination will be necessary based on these results.

The SIL4-capable positioning of the trains, including ensuring train integrity, is the basis for future railway operations. SiL4-enabled Greenlight applications thus open up the vision of denser train traffic by removing block-based driving. The aforementioned developments have so far all been driven forward with the expertise at ÖBB-Infrastruktur AG. ÖBB-Infrastruktur AG is also a partner in the corresponding projects within the framework of the European railway research initiative Shift2Rail in order to establish congruence with the efforts of the European Commission in developing an advanced signalling and automation system capable of applying the highest degree of automation (including Moving Blocks).

Components

The current research activities for the further development of infrastructure components include complete structures such as bridges, tunnels and retaining walls, but also individual components such as tunnel doors, noise barrier stays, railway bridge structures or anchor structures.

The main research objectives pursued are those that
- enable a simplification of the technical design of these components,
- enable optimisation of construction time, durability and sustainability,
- harness the digitisation of infrastructure for smart facility management
- and thereby reduce the costs of installation as well as the costs of maintenance activities in advance.

Most of these projects are tested in a real environment on the ÖBB-Infrastruktur AG network under secure conditions. One example of this is a turnout design adapted from the conventional design, which was installed in the Liesing North station area in autumn 2020. This project is co-financed with funds from Shift2Rail, the European rail research initiative. The basic preparation for a future low-maintenance and reliable turnout standard is being pursued, evaluated on the aforementioned turnout demonstrator under real operating conditions (loads, climate).

In addition to this, projects are also being pursued to evaluate new construction methods (bridge folding methods, semi-prefabricated parts, free-form surfaces) for their suitability for use in the railway environment. The same applies to design principles that, should they be successful, could possibly lead to innovative design (SCSC slab, integral bridges).

Smart Maintenance

Various pilot projects are being used to investigate the possible applications and concrete benefits of smart maintenance for the upkeep of various infrastructure components. The aim is always to generate status data of infrastructure facilities by means of sensors applied directly to them, to read and analyse this data and to supplement it with further data (e.g. weather data, load data) and, based on this, to develop algorithms that can subsequently be used to generate predictions about the status of components of infrastructure facilities and statements about any maintenance measures that need to be initiated.

There are two projects in particular as examples in this context.

The first was the development of appropriate nut heads which, without the need for a hand-held inspection by a structural inspector, provide the inspector with information on the stress state in the anchoring of noise barrier pillars on railway bridges. In the future, the reading of the associated data will be performed remotely by means of robotic units running on the noise barriers.

In 2020, it was also successfully demonstrated that it is possible to record the concrete surfaces of railway tunnels in high-resolution colour with crack detection down to >= 0.1 mm, and this at travel speeds of up to 100 km/h. This is not only an enormous achievement because the speeds travelled so far are in the range of maximum 5 to 10 km/h, but also because it is unique worldwide. The importance of speed is particularly noticeable in long tunnels, as in the course of scanning that part of the tunnel undergoing inspection is not available to traffic. Its suitability for use was demonstrated, among other things, in the Berg-Isel tunnel on the Brenner ramp south of Innsbruck. The entire project was actively and successfully supported by the Insbruck apprentice workshop.

E. Corporate relationships

Parent company ÖBB-Holding AG

The parent company ÖBB-Holding AG is a public limited company under Austrian law. The company was founded and established on the basis of § 2 of the Federal Railway Structure Act 2003. ÖBB-Holding AG provides various services for ÖBB-Infrastruktur AG and other Group companies, such as marketing and treasury services. These are settled by Group allocation or by activity allocation to the Group companies. In the financial year 2020, the ÖBB-Infrastruktur Group was charged around EUR 17.7 million (py: around EUR 19.2 million) as a Group allocation.

Direct subsidiaries of ÖBB-Holding AG are primarily the sub-group parent companies ÖBB-Personenverkehr Aktiengesellschaft ("ÖBB-Personenverkehr AG"), Rail Cargo Austria Aktiengesellschaft ("Rail Cargo Austria AG") and ÖBB-Infrastruktur Aktiengesellschaft ("ÖBB-Infrastruktur AG").

ÖBB-Personenverkehr AG

The task of ÖBB-Personenverkehr AG is, in particular, the transport of passengers, including the provision of public services, as well as the production and operation of all facilities necessary for this purpose, with the exception of the rail infrastructure, and the handling of all business related to this or prompted by it, as well as, above all, the operation of a public passenger transport service on the basis of tariffs and timetables. In the 2020 financial year, the company generated total income of around EUR 320.4 million (py: around EUR 338.1 million). The ÖBB-Infrastruktur Group was charged around EUR 14.6 million (py: around EUR 14.1 million).

Rail Cargo Austria AG

Rail Cargo Austria AG's main task is the transport of goods, including the provision of public services, as well as the production and operation of all facilities necessary for this purpose, with the exception of the rail infrastructure, and the handling of all business related to this or prompted by it, as well as, above all, the operation of a goods transport service. In the 2020 financial year, total income of around EUR 94.1 million (py: around EUR 168.1 million) was generated with Rail Cargo Austria AG. The ÖBB-Infrastruktur Group was charged by Rail Cargo Austria AG around EUR 1.2 million (py: around EUR 1.4 million). Purchased services in the amount of around EUR 0.6 million (py: around EUR 0.0 million) were capitalised.

ÖBB-Produktion Gesellschaft mbH

ÖBB-Produktion Gesellschaft mbH ("ÖBB-Produktion GmbH") is the joint subsidiary of ÖBB-Personenverkehr AG and Rail Cargo Austria AG. The company's task is in particular to provide traction and services for other railway undertakings. In the 2020 financial year, the company generated total income of around EUR 174.1 million (py: around EUR 177.4 million). The ÖBB-Infrastruktur Group was charged around EUR 16.5 million (py: around EUR 17.3 million). Purchased services in the amount of around EUR 0.3 million (py: EUR 0.2 million) were capitalised.

ÖBB-Technische Services-Gesellschaft mbH

ÖBB-Technische Services-Gesellschaft mbH is the joint subsidiary of ÖBB-Personenverkehr AG and Rail Cargo Austria AG. The task of the company is in particular the provision of services in connection with rail-bound vehicles. In the 2020 financial year, the company generated total income of around EUR 29.9 million (py: around EUR 27.2 million). The ÖBB-Infrastruktur Group was charged around EUR 33.4 million (py: around EUR 31.7 million). Purchased services in the amount of around EUR 8.1 million (py: around EUR 10.6 million) were capitalised.

ÖBB-Business Competence Center GmbH

As an intra-Group services company, ÖBB-Business Competence Center GmbH mainly provides standardised administrative services. In the 2020 financial year, the company generated total income of around EUR 19.1 million (py: around EUR 20.4 million). The ÖBB-Infrastruktur Group was charged around EUR 91.5 million (py: around EUR 92.3 million) for internal services. Purchased services in the amount of around EUR 4.8 million (py: around EUR 4.0 million) were capitalised.

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 continuously subjected to qualitative and quantitative measurement, particularly with respect to the possible impacts and likelihood of occurrence. The basis for this are the updated valuations or empirical values.

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. Consequently, the revision of the opportunity and risk portfolio is conducted in sync with the planning processes.

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. Consequently, risks may only be taken if they are calculable and associated with an increase in income and in the company value.

Opportunity and risk management process

This process is supported by risk management software. Individual risks and opportunities are reviewed in the group-wide opportunity and risk platform. Subsequently, a report is prepared for the Board of Management of ÖBB-Holding AG, which depicts the most important risks and the 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.

Regular reports are also submitted to the Audit Committee of the Supervisory Board - firstly, the latest opportunity and risk reports, and then also, the results of the review of the functionality of the opportunity and risk management system by the auditor, which is conducted annually in the course of the audit of the annual financial statements in accordance with Rule 14.3.8.5 of the Public Corporate Governance Code. This should ensure that the Supervisory Board obtains a continuous picture of the efficiency and effectiveness of the system that is implemented. The regular dialogue with the audit committee also offers the opportunity to identify new risk-related topics top down and to deal with them further within the framework of risk management. In addition, a Governance, Risk and Compliance Committee was established in 2017 to formally promote a stronger integration of risk-related functions (risk management, ICS, compliance, process management, etc.).

The function of a Group Risk Manager has been established in the ÖBB-Infrastruktur Group to ensure the professional handling of opportunities and risks and the ongoing implementation of the risk and opportunity management process: The Group Risk Manager is responsible for the opportunity and risk management process in the Group and in the company. In the Group, the Risk Manager performs the opportunity and risk consolidation and aggregation and determines its overall opportunity and risk position, which is then compared with the risk acceptance and risk bearing capacity limits. If necessary, further need for action is derived from this and measures are initiated. The Risk Manager reports to the Board of Management as well as to the Group Opportunity and Risk Manager, submits the opportunity/risk report including risk prioritisation as well as the relevant control measures and assumes advisory and training tasks. In addition, decentralised risk managers and contact persons have been defined in all business areas, staff offices and in all major investments to support the risk owners in identifying opportunities and risks in their respective areas of responsibility.

The most important opportunities and risks for the year 2021, 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 increasingly dynamic developments in the environment are countered within the ÖBB-Infrastruktur Group in that, in addition to the strategic realignment of ÖBB-Infrastruktur AG under the title "#INFRA.mobilitätswende", the Group-initiated "Nordstern" program and the transformation program continue to proceed. Both programs prepare the company for significant challenges and risks, especially those arising from increased competitive pressure and technological change over the next ten years. In addition, the foundation of operational excellence is to be strengthened. Regular monitoring is undertaken for the defined measures to implement the initiatives, which are incorporated in the budget and medium-term planning.

Should further COVID-19 waves occur, the effects of all measures ordered by the authorities (especially time-limited fee reductions or fee waivers) could lead to a deterioration of the result and liquidity in the medium term, and worst-case scenarios occur that have not already been taken into account in the planning or compensated for by countermeasures. The experience and knowledge gained over the past months in coping with the pandemic, have, nevertheless, had a risk-reducing effect.

Operating business

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). Risks of failure in the area of all telecommunications services and the essential data network services for railway operations are countered with preventive measures to reduce risk, such as emergency plans, the creation of redundancies or a local relocation of the operations premises. It is not possible to completely rule out partial or total failures due to terrorism, sabotage or natural events such as fire, despite the extremely high failure safety of the operations control centres. A holistic failure concept for key elements such as interlockings, remote control areas, FACP cells and customer information systems is therefore part of the operations management strategy. Regular inspections of equipment are performed as measures to reduce the risk of a decline in revenue and additional expenses due to quality problems with equipment, including rolling stock and locomotives. Training programs and information events are regularly organised to mitigate the risk of accidents caused by ÖBB employees. The risk of terrorist attacks is reduced both by targeted measures and instructions (behavioural recommendations) and through close cooperation with the Federal Ministry of the Interior. The existing emergency and contingency plans are continuously evaluated and reviewed by exercises conducted annually.

Sales and distribution

The main risks are reduced economic growth and the associated lower passenger numbers and transport volumes, as well as through increasing competition. This is reinforced by the corona pandemic. These risks are mitigated by observing and analysing customer behaviour and making targeted adaptations to our portfolio of products and services. This measure also increases the opportunity to attract new customers and to further exploit the market potential of existing customers.

The long-term economic impact of the United Kingdom's withdrawal from the European Union is not yet clear. Most economic experts however anticipate the likelihood to be rather minimal. Should, however, economic growth in Europe slow down significantly as a result, this could have a negative influence on the business development of the ÖBB-Infrastruktur Group. The direct business volume of the ÖBB-Infrastruktur Group with companies from Great Britain with revenue of around KEUR 36 is, however, to be classified as very low.

Personnel, management and organisation

The infection of staff with the corona virus may result in material shortages. Strict hygiene and distance regulations as well as organisational measures such as visitor restrictions, reduction of participants at presence meetings and increased cleaning depending on traffic lights have a risk-reducing effect. If the traffic light is on red in a region, the handover of duties in operations control centres takes place virtually, masks are compulsory (except at the desk), there are extensive home office regulations, there are no in person meetings, and much more.

There is also a risk that failure to implement or partial implementation of planned measures, such as efficiency improvements or recruiting and knowledge transfer, could result in additional personnel expenses. Rigorous monitoring procedures mitigate this risk.

Law and liability

The "Code of Conduct" contains the ethical principles and general principles that guide the Group's business activity. This code mitigates the risk of costs arising from penalties for violations of antitrust regulations. A Compliance Team was set up in 2013 to assist primarily in this area of risk as part of an early warning and monitoring system. This ultimately serves to avoid risks and thus to prevent damage.

Changes in legislation and regulations - both at national and international level - can lead to increased system costs (e.g. due to new technical or organisational requirements). Accordingly, the development is carefully reviewed for possible effects in order to react at an early stage.

The challenges posed by the pandemic led to the implementation of numerous measures to protect staff and contain the spread of the virus. An internal "Corona-traffic light" has been set up for this purpose, which is coordinated with the State traffic light. Each traffic light colour is linked to specific targets in terms of attendance rates, reduction of participants in presence meetings, increased cleaning and visitor restrictions, etc. Where telework is possible without jeopardising the maintenance of railway operations, the "COVID-19- related" telework scheme has been introduced in order to avoid direct contact as far as possible. A lot of information and tips on the topics of "digital, healthy and social work" have been made available on the Group's intranet in order to offer support to employees in this extraordinary situation. Regular information is also available on the intranet on rules of conduct, hygiene recommendations and news on the page "INFRA.gegenCorona".

The Association Responsibility Act provides that a company can be held responsible and punished for acts of its employees or decision-makers that are punishable by law. That also applies to the ÖBB Group. 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 risks.

Purchasing and procurement

The main risks are delivery delays caused by the corona pandemic, which complicate operations. These risks are mitigated through intensive contacts with suppliers and service providers. Another risk is posed by price fluctuations for various materials and services, although this may also result in potential opportunities. To mitigate this risk, contracts can be appropriately formulated by observing and analysing the market.

Data processing

System failures can cause additional costs and loss of revenue in the operating business units. This risk is mitigated by ongoing measures to increase the availability of IT (e.g. equipping the server rooms), as well as confidentiality (e.g. awareness training for staff) and data integrity (e.g. back-ups). In addition to the technical safeguards, the Group's Chief Information Security Officer, together with the contact persons in the sub-groups and companies, ensures uniform Group-wide control and monitoring (security governance) of information security. Security governance is responsible for minimising damages resulting from, e.g. malicious software or identified risks, by regular monitoring of the measures implemented.

Subsidiaries and investments

Subsidiaries and investments are considered within this risk area. Here, there is a risk that they may not achieve their budget targets, and that assets may have to be written down as a result of impairment testing, and allowances for investments may be required. In the real estate sector, the realisation proceeds and the exact realisation dates depend on the respective market developments. Risk management takes place early on in the negotiation process and through targeted portfolio management.

Risks related to financial instruments

Original financial instruments

The ÖBB Group holdings of original financial instruments are shown in the balance sheet. These are receivables and liabilities from financing activities, trade receivables and payables as well as financial assets and securities. Detailed information is provided in the respective statements in the Notes to the Consolidated Financial Statements.

Derivative financial instruments

ÖBB-Infrastruktur Group employs derivative financial instruments to hedge against risks associated with currencies, interest rate changes and raw material prices. Furthermore, a derivative exists to compensate for mismatches in payment flows from former CBL transactions. The Group directives prohibit the issue or holding of derivative financial instruments for speculative purposes. Derivative financial instruments are concluded only with reference to a hedged item. 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 last derivative used in the ÖBB-Infrastruktur Group is a structured derivative with a nominal value of around EUR 20.0 million.

Risk definition and risk management with respect to financial instruments

ÖBB-Holding AG engages in financial transactions in the name and for the account of Group companies - on the basis of their mandate and only with their consent. ÖBB-Holding AG has established a risk-oriented control environment. It includes, among other elements, policies and procedures for the assessment of risks, approval, reporting and monitoring of financial instruments. The top priority in all financial activities is to protect the assets of the Group companies. An important task of the Group Finance department, which is responsible for this, is the identification, measurement, and limitation of financial risks. Risk limitation does not mean absolute elimination of financial risks. It means the reasonable and transparent control of quantifiable risk items within a specific framework for activities that has to be agreed with the respective Group companies. 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 an entity will encounter difficulty in meeting its obligations arising from financial liabilities These may be settled by payment in cash 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. A short-term liquidity facility in the amount of around EUR 1.0 billion was agreed with the commercial banksin response to COVID-19. Financing planned for the second half of the year was brought forward and adjusted to current requirements. ÖBB-Infrastruktur AG has credit lines with OeBFA that are available for the management of short-term liquidity.

Interest rate risk

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. The Group therefore strives to limit the influence of possible market interest rate fluctuations on results to a level agreed with all 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 further derivatives have been used for interest rate hedging since 2019. This is due to the fact that the majority of the financial assets and financial liabilities are at fixed interest rates. 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. There are no relevant exchange rate risks from cross-border leasing transactions, as the contractual liabilities in foreign currencies are matched by corresponding assets and receivables with matching volumes and maturity in the same amounts.

Credit risk

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

Apart from the original transactions with ÖBB finance partners, counterparty risk also exists in connection with cross-border leases. Security deposits, payment underwriting agreements and swaps were concluded with financial partners for cross-border leasing transactions in order to pay leasing installments during the term and the purchase price at the end of the term. Cross-border leasing management handles the administration, execution, risk management, and economic termination of existing cross-border leases. 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.

In previous years, the Group has significantly reduced the original volume of existing cross-border leases without losing the deferred tax benefit that was generated at the time of the initial transaction. The ÖBB's strategy remains to actively manage the risk associated with the transactions and take advantage of opportunities to terminate transactions under economically acceptable conditions. This strategy will also be pursued in the future. Please refer to item 30.3. of the notes to the consolidated financial statements for more information on cross-border leasing contracts. Since 2020, all guarantees received have also been accounted for in the weekly limit allocation.

Commodity risk

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

Around 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 Group 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 Group that the prices are already secured and fixed in advance. Price hedging takes place by concluding forwards for the planned purchase quantities for 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 can be found in Note 29.4 to the consolidated financial statements.

Risks related to business activities - ESG risks

Presentation of the material risks of the business activity (area of sustainability) and measures taken to minimise impacts on economic, ecological and social concerns:

Impact on economy, ecology or social topics	Risk	Measures	Modules of the ÖBB sustainability program
Economy Ecology Social topics	CO_2 emissions in the mobility sector	• Implementation of the ÖBB climate protection strategy to reduce the CO_2 footprint with the six main drivers of electrification, alternative drive systems rail / road, renewable energy, energy efficiency, modal shift. Environmental management system	– Climate Protection – Innovation and Technology – Economic Driver
Economy Ecology Social topics	Increased CO_2 emissions from the operation of facilities and buildings	• Thermal refurbishment of buildings • Greening the energy mix • Efficient use of air-conditioning systems, but also pushing alternative solutions (vertical and horizontal forms of greenery - natural shading) • Measures to reduce the CO_2 footprint Environmental management system	– Climate Protection – Adaptation to Climate Change
Economy Ecology Social topics	Health hazards and environmental impairment due to noise and secondary airborne sound	• Promotion of fixed noise barriers and dams • Infrastructure-related noise protection measures • Low-noise construction machinery • Sound-absorbing hearing protection for workers at risk • Incentive for customers to switch to low-noise freight wagons on the ÖBB rail network with the "noise bonus" on the infrastructure usage charge (IBE) • Continuous retrofitting of all ÖBB (existing) freight wagons with low-noise brake blocks • R&D projects to reduce sound pollution • Environmental management system	– Emissions
Economy Ecology Social topics	Increased emissions of classic air pollutants (NO2, NO ...) in transportation	• Electrification of the railway network • Alternative drives for rail traction units for non-electrified railway lines • Conversion of the vehicle fleet to low-emission vehicles and increase in e-vehicles • Promotion of bicycles for business trips • Environmental management system	– Emissions
Economy Ecology Social topics	Light pollution and its negative impact on humans, animals and plants	• Use of daylight in interiors • Use of lighting alternatives • Optimal use of lighting, through sensible planning / implementation • Environmental management system	– Emissions
Economy Ecology Social topics	Excessive electro-magnetic fields	• Laying of return conductors during the construction of overhead contact line systems • Compliance with the necessary distances, e.g. for traction current transmission lines • Environmental management system	– Emissions

Impact on economy, ecology or social topics	Risk	Measures	Modules of the ÖBB sustainability program
Economy Ecology Social topics	Wasteful 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: • Savings in reinforcing steel • Use of wood as a building material • Use of "green concrete" •Alternative construction methods, e.g. free-form shell / wildlife bridge • Component preparation and reuse of, for example, rails, sleepers and track ballast • Promotion of the recycling economy • Environmental management system	– Resources
Economy Ecology Social topics	Reduction of biodiversity through construction activities and operation of railway facilities	• Avoidance, mitigation, compensation and replacement measures for interventions in the landscape ecosystem • Biological monitoring and mapping of areas of interest • Bird protection measures on power lines and glass surfaces • Use of autochthonous, regional seeds and plants • Measures to control invasive neophytes • Planting flower meadows and promoting beekeeping on railway land • R&D project on wildlife warning systems for railway installations • Environmental management system	– Biodiversity and diversity of species.
Economy Ecology Social topics	Reduction of biodiversity through glyphosate	• Continuous optimisation measures of the spraying equipment through optical green detection • Several R&D projects for the replacement of glyphosate with efficient chemical, physical and mechanical alternatives • Environmental management system	– Biodiversity and diversity of species.
Economy Ecology Social topics	Inefficient use of energy resources	• Lever number five of the ÖBB climate protection strategy (energy efficiency) • Environmental management system	– Climate Protection – Emissions
Economy Ecology Social topics	Inefficient use of energy from renewable sources	• Lever number five of the ÖBB climate protection strategy (energy efficiency) • Environmental management system	– Climate Protection – Emissions
Economy Ecology Social topics	High energy consumption e.g. train travel, construction activities	• Lever number five of the ÖBB climate protection strategy (energy efficiency) • Environmental management system	– Climate Protection
Economy Ecology Social topics	Failure to address environmental concerns in the supply chain	• Promotion of sustainable production suppliers • Consideration of sustainability criteria in the procurement process • Supplier assessment through supplier management system • Support for the "Railsponsible" initiative and the use of the "Ecovadis" sustainability platform" • Transparency in the award criteria using TCO models (life cycle assessment) • Environmental management system	– Sustainable Procurement
Economy Social topics	Violation of human rights	• Protecting and demanding respect for human rights from employees as well as from partners and suppliers • Human rights training for security personnel (Mungos)	– Sustainable Procurement – Diversity and Equal Opportunity.
Economy Ecology Social topics	Outdated technologies cause resource inefficiency and environmental damage	• Automation of rail transport • Digital automatic coupling • Conventional expansion of the rail infrastructure • Modernisation of the vehicle fleet • Condition-based maintenance and predictive maintenance • Alternative drives • New regional service • Train preparation and shunting of the future • R&D program	– Climate Protection – Innovation and Technology
Economy Social topics	Impediments to innovation and progress	• Introduction of suitable tools and platforms to increase the innovation potential, for example through an ideas workshop, innovation program, "Community creates Mobility", open innovation platform. - Creation of priority topics for the implementation of concrete measures (integrated mobility, digitalisation of customer information, services at the station) • Digitalisation, other ways of communicating and obtaining information • R&D program	– Innovation and Technology – Generational change.

Impact on economy, ecology or social topics	Risk	Measures	Modules of the ÖBB sustainability program
Economy Ecology Social topics	Waste of public funds	• Compliance instruments and code of conduct • Objectification of the sustainability performance based on the audit by external rating agencies • Presentation of the economic added value of railway capital expenditure • Requirement of sustainability certificates within the framework of the tender procedure. • Audit procedures by ICS, auditors, SCHIG and Auditor General's Office	– Green Finance – Sustainable Procurement – Economic Driver
Economy Ecology Social topics	Lack of affordable and accessible mobility services	• Creation of accessibility at the station • Stakeholder dialogues and customer journeys to improve accessibility/convenience • Development of integrated mobility offers • Increase the attractiveness of railway stations and stops in rural regions • New regional service	– Affordable and sustainable mobility – Diversity and Equal Opportunity.
Economy Social topics	Increased risk of accidents (operational safety and occupational safety) Increased number of occupational accidents	• Implementation of the "Safety on Rail" program" • Implementation of technical improvements, e.g. further expansion using 500 Hz magnets • Further development of the safety culture and introduction of a new corporate value "Living Safety" • Safety indicators • Safety management system	– Health / Safety / Security – Innovation and Technology
Social topics	Increased security risk in public areas	• Use of bodycams • Targeted deployment of security personnel • Increased presence of emergency forces at flashpoints • Training on "self-perception and perception of others" • Transparent structural designs • Emergency call pillars on the platform • Illumination	– Health / Safety / Security – Vocational and further development
Economy Social topics	Harmful effect on health Early retirement due to physical / mental fatigue	• Targeted health promotion for employees • Creation of framework conditions to promote work capability, for example through healthy leadership and addiction prevention, consulting on work capability • Occupational reintegration • Respective consulting	– Innovation and Technology – Health / Safety / Security – Generational change.
Economy Social topics	Intercultural challenges in business	• Diversity management • 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 • Active integration of refugees in the apprenticeship system	– Diversity and Equal Opportunity.
Economy Social topics	Unfair competition and corruption in business operations and the supply chain	• Comprehensive compliance management system established • Compliance officer for prevention, early detection • Code of Conduct as a binding code of conduct with behavioural guidelines	– Compliance
Social topics	Misconduct with regard to social responsibility as a company in the public interest	• Social commitment through support of the fund-raising campaign "Licht ins Dunkel" (Light into Darkness), safety training in schools, promotion of pupils with a migration background, Team ÖBB, Orphan Support Association...	– Social Responsibility
Economy Social topics	High unemployment	• Largest employer in the country and significant apprentice trainer • Equal opportunities regardless of language, gender and gender identity, age, sexual orientation, origin and religion • Regular employee survey • Attractive employer with a wide range of social benefits (e.g. annual health care ...) as well as professional and personal development opportunities • Family-friendly employer, for example, through the Flying Nanny service, company kindergartens and childcare facilities	- Reliable and attractive employer – Generational change. – Economic Driver – Vocational and further development

Impact on economy, ecology or social topics	Risk	Measures	Modules of the ÖBB sustainability program
Social topics	Stressful working environment	• Cultural development and corporate values of ÖBB • Leadership development • Health promotion services	- Reliable and attractive employer
Ecology Social topics	Threat to the business location	• Economic effects of railway capital expenditure • Economic effects of railway operation • Further efficiency improvement programs in production (quality, attractiveness)	– Innovation and Technology - Reliable and attractive employer – Generational change. – Economic driver

Internal control system

The members of the Boards of Management and Managing Directors of the Group companies are aware of, and embrace their responsibility to establish an appropriate internal control system (ICS). For the ICS, the minimum standard to be implemented by the sub-groups has been formulated.

A project on the "Further development of the internal control system in the ÖBB Group" was completed in 2017 as part of the continuous improvement process. The focus was on the maturity of the ICS in comparison to well-known benchmark companies in Austria. The further development measures that were identified were then implemented over the next few years. Started in 2019, the ICS concept was reassessed in 2020 with the help of external expertise. Its ability to meet the legal requirements, and the content of individual aspects was subject to further examination.

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's goals by systematically managing process-related risks. The main objective of the ICS, derived from the legal obligations (compliance), is to safeguard and protect the existing assets of the company. That implies ensuring the reliability of the accounting system as the basis for correct, meaningful financial reporting and - building on this - the promotion of operational efficiency (operations).

It is based on the internationally acknowledged COSO framework (Committee of Sponsoring Organisations of the Treadway Commission). The ICS therefore provides management with a recognised basis for analysis and control tasks.

The ICS is based on the principle that audit measures regarding identifiable risks in essential/critical business processes are documented in a comprehensible form. It requires that the organisational structure is documented in a comprehensible form (organisational chart, job description, functional description, etc.), that it is regularly adapted and that the applicable regulations and internal guidelines are comprehensively known and available. Specific requirements were derived from the aforementioned ongoing development project. The business processes based on existing process maps are to be directly linked to defined ICS key categories and within these categories in turn to the relevant ICS key risks.

Risk assessment and control activities

Key risks are identified and captured at regular intervals, based on the process documentation. Suitable control activities are determined in order to reduce the risk to an appropriate level. The effectiveness of the controls and monitoring is reviewed and documented through regular self-assessment with rotating areas of key focus.

Here, also, reference should be made to the approach established as part of the ongoing development project. A set of generic key risks has been formulated for the identified ICS key categories. All Group companies are required to address directly and bindingly 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 staff 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 sub-groups. Putting preventive measures in place is a further essential aspect of compliance.

Information and communication

Regardless of the group-wide harmonisation, in accordance with the Group's decentralised structure, each sub-group has an appropriate, effective ICp. The installation and maintenance is 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. It records the key controls defined within the process with their risk fields and the associated test steps. Reports to management and the audit committees of the respective Group companies are also based on this non-editable, annotated and verifiable data.

Accounting

When the auditors audit the annual financial statements, the ICS as regards to the financial reporting process also forms part of the auditing mandate.

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

ÖBB-Business Competence Center GmbH provides operational support to ÖBB-Infrastruktur 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. As a result, data transmission within the group is largely automated. Upload files are delivered to ÖBB-Holding AG, where the data is processed centrally in the SAP Netweaver BI 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.

From 2016 to 2018, the ÖBB Group designed and implemented a modern accounting system within the ÖBB Group with the “MORE!” project. This created the prerequisites for the changeover to SAP S/4. The SAP2S4 Conversion project started in April 2020. The aim is the complete technical conversion of the existing ERP landscape (5 systems, 1 instance, 2 clients) to SAP S/4 with go-live on 01.04.2022.

The information provided in the Notes to the Consolidated Financial Statements 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, balance sheet, cash flow statement, notes to the consolidated financial statements) for the preparation of the consolidated financial statements. 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 regularly informed about the economic development of the Group in the form of consolidated presentations, in particular within the mandatory audit committee of ÖBB-Infrastruktur AG.

G. Non-financial performance indicators

G.1. Statement of the Board of Management on the non-financial performance indicators

We for Austria - strengthening the region, boosting the economy

The railway has been a driver of technical progress and urbanisation from the very beginning. Even today, ÖBB-Infrastruktur AG enables a sustainable mobility alternative through its investments in and operation of the rail infrastructure. Sustainable stands for social, ecological and economic sustainability. The latter refers to economic activity as the basis for lasting prosperity.

Our investments have a positive impact on value creation and employment, both in the construction phase and through improved accessibility and greater comfort in the operational phase. Studies show: One euro invested leads to a value added of two euros in the Austrian economy. In the construction phase, an investment of one billion generates around 15,000 jobs, and the improved accessibility from the start of operations secures and generates thousands more jobs, promotes interaction between regions and strengthens their competitiveness.

ÖBB-Infrastruktur AG will invest around three billion euros per year in the railway infrastructure over the next six years in accordance with the new 2021 to 2026 framework plan. In this way, we not only create value for public transport and the basis for shifting traffic from road to rail, but also boost Austria's economic engine. New railway stations like Vienna's main station are the best example of how investments become a calling card for cities. The success stories also include the extension of the Western line, the expansion of the infrastructure in the Lower Inn Valley or the Southern line, which is currently under construction.

ÖBB-Infrastruktur AG is a strong partner and driver for the domestic economy. At the same time, it is one of the largest clients of the Austrian construction and railway industry with a major economic significance. The ÖBB-Infrastruktur Group directly employs more than 15,000 people, secures further jobs outside the Group with its orders and their added value, and also offers a job with meaning and prospects. The value added by ÖBB-Infrastruktur AG amounts to five billion euros per year. Austrian small and medium-sized enterprises benefit disproportionately from the orders for new construction projects and modernisations. This is precisely why attention is being paid to Austria as a location and the shift to public transport.

In 2020, ÖBB-Infrastruktur AG's terminals handled around 475 thousand (py: around 500 thousand) Intermodal Transport Units (ITE). Revenue, however, could be maintained at 2019 levels through the provision of additional services. These important feeder points are the catalyst for the shift of road transport to rail, which is why ÖBB-Infrastruktur AG is planning or implementing the necessary capacities for the needs of the future.

Mobility providers with responsibility

Climate change is one of the central topics of our time. The weather is becoming more extreme, greenhouse gas emissions are increasing instead of decreasing. The Paris climate goals and the EU targets require a one-third reduction in the consumption of diesel and petrol in Austria by 2030 - not insignificant targets for the transport and mobility sector. It is thus quite clear that there is no way to achieve these targets without the support of the railways. ÖBB-Infrastruktur AG has the responsibility of providing an infrastructure that meets the high requirements of the future. We are happy to take on this responsibility and gladly accept the exciting challenges. The new framework plan 2021 to 2026 forms the ideal basis for the expansion. Another equally large challenge for the company this year was, of course, the corona crisis. ÖBB-Infrastruktur has been affected at all levels by the crisis. First of all, those employees who were affected by short-time work and home office - on top of all the private burdens that accompany the crisis. Then at the operational level with dramatic falls in passenger numbers as well as freight and the associated financial losses. The railway has shown - and we can point to this with some pride - that it can be relied on even in very extraordinary and challenging times. ÖBB has also used the crisis as an opportunity. Work processes were adapted and conditions created for digital, remote working environment.

A heart for climate, nature and infrastructure

ÖBB is the number one climate protection company in Austria. We are a pioneer in the field of sustainable mobility and the largest transport infrastructure provider in Austria. At the same time, we are also one of Austria's largest employers and as such a strong economic driver. The transport sector is called upon to make a substantial contribution to enable Austria to achieve its climate protection targets. This is why the ÖBB Group has set itself the ambitious goal of the ÖBB Climate Protection Strategy 2030: CO_2-neutral in the mobility sector by 2030 and CO_2-neutral in the Group in the period from 2040 to 2050. This is how we support the achievement of Austria's climate goals significantly. This includes the electrification of further railway lines, the use of alternative drive technologies on rail and road, the expansion of renewable energies and the increase in energy efficiency.

Since 2018, ÖBB has exclusively used green traction current from 100% renewable energy sources such as water, wind and sun. Most of the electricity required for operations comes from eight ÖBB hydropower plants, two partner hydropower plants and the world's first railway solar power plant, which we built in Wilfleinsdorf (Lower Austria) in 2015. The remaining amount of green traction current required is purchased from the market and confirmed with guarantees of origin.

In a second step, the energy supply of all stations, offices, workshops and other facilities was also converted to electricity from 100% renewable energy sources in 2019.

Power generation from renewable energy has great potential for climate protection. ÖBB is therefore working on innovative ideas and further options to increase the share of renewable energy produced in-house. In 2020, further photovoltaic plants for the generation of green rotary and traction current were built and put into operation. The hydropower plants are also being optimised and the first wind power plant for traction power production is soon to follow.

Anyone who travels by rail or transports goods by rail is actively protecting the climate. A person driving a car fuels climate change 27 times as much with greenhouse gas emissions as a train passenger, and an aeroplane emits 51 times more greenhouse gases per passenger. Every tonne of goods transported by road causes 41 times more CO_2 than by rail.[48]

The railway requires little space for a lot of traffic: Roads and car parks require 18 times more space than rail infrastructure. At the same time, sealing of the ground is a growing environmental problem.[49] Rail only needs a third to a sixth of the space compared to road for the same transport performance. Important habitats and areas that are extremely important for biodiversity are often found along the railway. In recent years, many hundreds of hectares of ecological compensation areas have been created throughout Austria in the course of railway expansion projects. Railway embankments, biotopes created in the course of new construction projects, eco-forest islands left entirely to the natural process, and much more are important habitats and retreats for a wide variety of species. The biodiversity on railway land is impressive and enables natural habitats for people, animals and plants. ÖBB-Infrastruktur AG has therefore long been committed to the protection of rare plants and animals. Measures are constantly being taken to preserve Austria's natural treasures and thus its biological diversity: Greening of embankments with regional seeds, planting of old fruit tree varieties, river restoration, construction of bridges for wildlife and much more. Changing to rail therefore makes a valuable contribution to a future worth living for generations to come.

ÖBB is taking further steps towards an efficient, non-discriminatory and environmentally friendly railway infrastructure with the expansion strategy "Target Network 2025+" and the work already under way for the Target Network 2040 - as a basis for more trains, more passengers, more goods and better frequency services on the unrivalled sustainable railway in order to continue to meet the requirements of customers and society in the future. The leading role of the ÖBB-Infrastruktur Group in terms of sustainable mobility is also confirmed by an external, independent body in the form of the top ranking in the sustainability rating of 49 transport infrastructure companies worldwide by the rating agency ISS-oekom.

[48] Data source Federal Environment Agency 2019: Values for Austria, average consideration per passenger car and tonne-kilometre.
[49] Study VCÖ and Austrian Hail Insurance.

Easy accessibility to the railway

More than one million people in our country are temporarily or permanently restricted in their mobility. Barrier-free and convenient access to all mobility services for all people - whether with or without disabilities, lots of luggage, prams or temporary mobility restrictions - is a declared goal of ÖBB. ÖBB-Infrastruktur promotes dialogue with the interest groups in order to enable the optimum at every stop and station in addition to the legal framework requirements for the customers. ÖBB also relies on services and cooperation partners for the so-called first and last mile to ensure comprehensive, affordable and easy access to mobility.

ÖBB-Infrastruktur AG is investing a lot of effort in this area by building or modernising stations to ensure barrier-free access: By 2020, 84%[50] of all travellers will already benefit from modern, barrier-free stations. In 2027, at least 90% of travellers will be able to use barrier-free stations.

In addition to these measures, it is important to seek direct dialogue with those affected as well as with experts: Since 2014, so-called "Stakeholder Dialogues" have been held, a direct exchange with people with disabilities and various representatives of different organisations for people with disabilities.

Getting equipped for the generational change

Numerous retirement-related departures presage a generational change in the company in the coming years. Many new colleagues will join us and our way of working will become even more independent from the workplace. This upcoming change requires that we are perceived as an attractive employer on the internal and external labour market. The roll-out of the new employer brand took place in 2019. This positions ÖBB as an employer with jobs and tasks with meaning. As: The employees of Austria's number one climate protection company are already working today to ensure that future generations will also have more out of life tomorrow.

ÖBB-Infrastruktur AG is one of the largest apprenticeship training companies in Austria with around 1,800 apprentices (including apprentices of the General Private Foundation for Vocational Education and Training). The motto "#nasicher" is to continue to inspire more young people to enter the apprenticeship system offered by ÖBB-Infrastruktur AG. In addition, the proportion of apprentices who are taken on by the company after completing their training is to increase significantly. A special focus is on training and taking on female apprentices, especially in technical professions. In 2020, the new training workshops were opened in Bludenz and Knittelfeld. The construction of the new education campus in St. Pölten is progressing well despite the corona crisis and will be a great education and training facility for many new generations.

Professional talent management and clear perspectives are intended to promote and motivate employees in order to secure existing know-how in the company and to enable the internal re-staffing of key employees. **Career models support sustainable career management within the Group.**

Contribution of the Sustainability Coordinator: Corporate Rating

ÖBB-Infrastruktur AG has, since 2012, been regularly subjected to an ESG rating (Environment, Social, Governance) by oekom research AG in the transport infrastructure sector, with over 100 indicators being used for assessment.

oekom research AG was acquired by the US rating agency ISS (Institutional Shareholder Services) in March 2018. ISS has been active in the field of corporate responsibility and ESG (Environment, Social, Governance) rating since 1985.

In 2019, a further integration of product units was undertaken by ISS and the new ISS ESG brand was created. In December 2020, it was announced that Deutsche Börse would acquire 80% of ISS, making ISS a subsidiary of Deutsche Börse.

ISS is an ESG rating agency specialising in the independent analysis and evaluation of the environmental and social performance of companies that raise money from the capital market to finance projects. ISS ESG provides investors with independent assessments so that they can make their investment decisions according to strict sustainability considerations.

[50] Calculated on the basis of the average daily passenger frequencies 2018 for the ÖBB-Infrastruktur AG network. These represent a coordinated strategic planning variable with corresponding planning stability.

In 2020, ÖBB-Infrastruktur AG was rated as a top investment for ethical, ecological and socially responsible investment by the leading international rating agency for the fourth time. The independently conducted assessment subjected 55 transport infrastructure companies from Europe, the USA, Brazil, Asia and Australia to rigorous scrutiny. Only about a fifth of these achieved prime status. ÖBB-Infrastruktur AG was even ranked one level higher this time than in previous years, and is now the winner in the transport infrastructure sector for the fourth time after 2012, 2014 and 2018, underlining its international pioneering role. Investments in our railway infrastructure are therefore a particularly sustainable form of investment with high added value for the environment and society.

Further information on the ISS ESG rating at: https://www.issgovernance.com/esg/ratings/corporate-rating/

Sustainability means future viability through the best possible balance between economic, ecological and social objectives. An action is sustainable in the best sense of the word if it satisfies current needs, can be globalised, i.e. is in principle possible worldwide, and does not endanger the needs of future generations.

ÖBB-Infrastruktur AG lives sustainability already in its corporate purpose to build and operate resource and environmentally friendly transport infrastructure for generations. The high social, ecological and, of course, also economic compatibility of rail as a transport infrastructure makes a decisive contribution to Austria's sustainable development.

The ISS-ESG assessment shows that ÖBB-Infrastruktur AG is also among the best in an international industry comparison.

G.2. General information

Legal framework

Pursuant to § 267a of the Austrian Commercial Code - UGB (consolidated financial statements) and the Federal Act BGBl. I Nr. 20/2017 - NaDiVeG - this "non-financial statement" (NFI statement) supplements the management report of the ÖBB-Infrastruktur Group. The information and data for the current management report refer to the 2020 financial year; the previous year's figures for 2019 are provided for comparison purposes. The non-financial statement is issued annually and includes the non-financial statement required to be prepared in the separate financial statements pursuant to § 243b Austrian Commercial Code (UGB). Relevant key figures for the individual financial statements are presented separately as "thereof information".

The Non-Financial Information (NFI) declaration was compiled by taking into account: Federal Law Gazette (BGBl.) BGBl. I Nr. 20/2017 - NaDiVeG - in addition to explanatory notes, EC communication - guidelines on non-financial reporting (draft), German Accounting Amendment Standard No. 8 (draft), EMAS III VO_deutsch, GRI linking document G4 and NFI-reporting as well as the Global Reporting Initiative (GRI) standards: This report has been prepared in accordance with the GRI standards: Option 'Core' created. The difference to the 'Comprehensive' option is the extent to which the GRI standards are applied. The reporting boundary includes ÖBB-Infrastruktur AG and its major subsidiaries.

Structure of the decision-making bodies

In the 2020 financial year, the Board of Management of ÖBB-Infrastruktur AG consisted of three persons, who are required to exercise the due care and diligence of a prudent and conscientious business manager in their function. Each member of the Board of Management is responsible for a specific division and is obliged to inform the other members of the Board of Management about important events in their area of responsibility. The allocation of responsibilities, cooperation, information and reporting duties of the Board of Management as well as a list of measures requiring the approval of the Supervisory Board are regulated in the rules of procedure for the Board of Management or the rules of procedure for the Supervisory Board.

The Supervisory Board is responsible for monitoring the management and determining the allocation of business. In the 2020 financial year, the Supervisory Board consisted of nine members, six shareholder representatives and three employee representatives. 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). At the time of reporting, the following committees have been established in the Supervisory Board of ÖBB-Infrastruktur AG: Audit Committee, Infrastructure Investment Committee, Nomination / Personnel Committee and Real Estate Committee. The task of the committees is to prepare the negotiations and resolutions and then also to monitor the implementation of the resolutions for the Supervisory Board. In addition, committees may - insofar as the corresponding authority has been granted and mandatory legal provisions or the provisions of the B-PCGK do not stipulate the fulfilment of tasks by the full Supervisory Board - pass resolutions or make recommendations for resolutions.

Together, the Supervisory Board and the Board of Management of ÖBB-Infrastruktur AG form the bodies for decisions relating to economic, ecological and social topics. The limited liability companies in which ÖBB-Infrastruktur AG holds an interest each have a management board, while Mungos Sicher & Sauber GmbH and ÖBB-Immobilienmanagement Gesellschaft mbH each have a Supervisory Board appointed as a controlling body. In all cases, the management of the partnerships (GmbH & Co. KGs) is the responsibility of the management of the respective GmbHs, which are appointed as general partners.

Materiality analysis

A materiality analysis was conducted in 2018 in accordance with the requirements of the Global Reporting Initiative (GRI) to determine the current material topics of the non-financial statement. The aim was to identify and prioritise the most important topics that are essential for both the ÖBB Group and the stakeholders. This approach simultaneously served to contact and consult with both key internal and external stakeholders. The first task was to identify the main topics that occur along the value chain of the ÖBB Group. This was followed by an impact workshop, which was attended by internal experts from the areas of sustainability, energy management, waste management, facilities, etc., distributed proportionally among the Group companies.

A stakeholder survey was conducted in October 2018 to incorporate the views of both internal and external stakeholders. 703 people were contacted for this purpose, with roughly equal proportions of internal and external stakeholders. The response rate was around 38%:

- ÖBB internal stakeholders: randomly selected ÖBB employees (incl. managers and works councillors) distributed proportionally among the group companies, equal proportion of women and men
- ÖBB external stakeholders: Customers, suppliers, politics, ministries / authorities, federal states / municipalities, interest groups, science and research, media, NGOs, railway associations ...

The result of the overlap of the workshop and the stakeholder survey is the 2018 materiality matrix of the ÖBB Group, in which the topics above the dotted line **(= materiality threshold)** were defined as **material topics of high importance. Respect for human rights** and **combating corruption and bribery** were also taken into account in the non-financial statement as supplementary key topics. The resulting materiality matrix also applies in full to ÖBB-Infrastruktur AG.

The COVID-19 pandemic has severely affected public transport and is putting ÖBB-Infrastruktur AG's corporate strategy and orientation to the test. A reassessment of the material topics is therefore also planned as part of a new edition of the materiality analysis. The contents of this management report are, however, still based on the materiality analysis from 2018.

Non-financial key indicators

Overview of non-financial key indicators for 2020	2020	2019	Unit
General			
Railway line (operating length)	4,875	4,877	Kilometres
Train stations (railway stations)	1,046	1,048	Number
Train kilometres travelled annually	146.9 million	156.4 million	Kilometres
Transport volume	73.2 billion	78.7 billion	Gross tonne-kilometres/year
Punctuality in passenger transport total, all railway undertakings[1)]	97.2	95.2	Percent
Punctuality in goods transport total, all railway undertakings[1)]	81.6	77.3	Percent
Customer satisfaction[2)]	n.a.	86	Points out of 100
Corporta rating (ISS ESG - Institutional Shareholder Services)[3)]	B	B-	Prime status
Environment			
Quantity of active substance (glyphosate)	6.2	5.0	Tonnes
Traction power from Austrian renewable energies[4)]	100	100	Percent
Total energy use[5)]	436.5	447.3	Gigawatt hours
Total emissions[6)]	38,881	40,174	in tonnes of CO_2
External car sharing stations	35	28	Number
Total area of ÖBB-Infrastruktur AG	190.2	190.8	Square kilometres
Trees in the tree register (reporting date Dec 31, 2020)	10,786	11,218	Number
Social and employee topics			
Employee survey[7)]	n.a.	71	Index points out of 100
thereof ÖBB-Infrastruktur AG	*n.a.*	*71*	*Index points out of 100*
Active employees and apprentices	18,609	18,734	Persons
thereof ÖBB-Infrastruktur AG	*16,576*	*16,641*	*Persons*
Tenured employees	9,358	10,097	Persons
thereof ÖBB-Infrastruktur AG	*8,299*	*8,929*	*Persons*
Apprentices	1,532	1,562	Persons
thereof ÖBB-Infrastruktur AG	*1,532*	*1,562*	*Persons*
Average age in Austria (excl. apprentices)	45.9	43.9	Years
thereof ÖBB-Infrastruktur AG	*45.8*	*46.1*	*Years*
Percentage of women (incl. apprentices)	9.2	8.6	Percent
thereof ÖBB-Infrastruktur AG	*7.9*	*7.4*	*Percent*
People with disabilities	2.7	2.7	Percent
thereof ÖBB-Infrastruktur AG	*2.7*	*2.7*	*Percent*
Accessibility			
Train stations that are modern and barrier-free	around 370	around 300	Number
Research			
Research and development projects in progress (reporting date Dec 31, 2020)	91	59	Projects
Safety			
Passenger transport			110 times safer than road[8)]
Transport of dangerous goods			42 times safer than road[9)]

Additional information on the non-financial key indicators is available in the following text passages:
n.a.: current value for 2020 not available (e.g. due to COVID-19 pandemic)

[1)] The threshold for punctuality is 5 minutes for passenger transport and 30 minutes for goods transport. The sharp increase in punctuality in 2020 is due to the massively reduced passenger volume due to the COVID-19 pandemic.

[2)] The Group-wide customer satisfaction survey planned for autumn 2020 was not conducted due to the COVID-19 pandemic. ÖBB-Infrastruktur AG only conducted a qualitative customer satisfaction survey every two years in 2020, so only the result of the 2019 customer satisfaction survey is still available: Survey period 23.09. to 13.11.2019. Maximum score = 100. The customer satisfaction value of ÖBB-Infrastruktur AG is composed of the recording of customer satisfaction with written questionnaires (self-completers) and observations (mystery rides or observations). The sample size here comprises 8,200 self-completers (net sample = 5,267) and 620 mystery observations.

[3)] The last corporate rating of ÖBB-Infrastruktur AG took place in December 2020.

[4)] Refers to customers who purchase traction current from ÖBB-Infrastruktur AG.

[5)] The reported total energy consumption in GWh is made up of the energy sources traction current, three-phase current, natural gas, district heating, heating oil and fuel consumption. 2020, fuel and heating oil consumption were also included in the total energy consumption. The value for total energy consumption in 2019 was therefore also adjusted for comparison purposes. This results in a deviation from the published value of the previous year.

[6)] Heating oil consumption in 2020 and 2019 was also included in the total emissions for the first time. The CO_2 emissions for 2019 have been recalculated to reflect the conversion of the three-phase power supply to 100% renewable energy and the breakdown into scopes that took place in 2019. This results in a deviation from the published value of the previous year.

[7)] Result of the employee survey in June 2018. The new staff survey originally planned for June 2020 was not conducted due to the COVID-19 pandemic and is expected to be made up for in 2021.

[8)] Passenger fatalities per billion passenger-kilometres in Austria calculated over the average of the years 2009 to 2018, source: Pro-Rail Alliance.

[9)] Hazardous goods accidents per billion tonne-kilometres calculated over the average of the years 2004 to 2013, source: Pro-Rail Alliance based on Federal Statistical Office.

G.3. Environment:

General information

ÖBB-Infrastruktur AG plans, builds and operates rail infrastructure facilities in all nine federal provinces and is obliged by various legal requirements to avoid negative impacts on protected assets such as water, soil, air, animals, plants and their habitats, humans, cultural assets, etc. as far as possible and to mitigate or compensate for unavoidable impacts. In addition, ÖBB-Infrastruktur AG operates an environmental management system in accordance with ISO 14001 and is thus committed to the continuous improvement of environmental performance.

Strategic fields of action have been defined in order to secure the sustainability advantage of the ÖBB Group and to remain the pioneer for environmentally friendly mobility solutions in Austria. These support existing Group goals and ensure long-term win-win situations for society, the environment and the ÖBB Group.

Environmental guidelines, environmental assessment, environmental program

Environmental guidelines, environmental assessment, environmental program as well as the goals and measures are the starting point for a multitude of initiatives and projects aimed at ensuring the railway infrastructure is a green infrastructure. The monitoring and exchange of information takes place in the environment and sustainability platform, whose task is a Group-wide exchange and the advancement of environmental topics. Key environmental topics identified in the materiality matrix (such as energy efficiency, waste management, noise reduction, climate protection and biodiversity) are fixed agenda items of the environment and sustainability platform.

Chemical vegetation control

ÖBB-Infrastruktur AG needs to keep the tracks as free of vegetation as possible due to obligations under railway law to ensure safe railway operations. This is why the tracks on the ÖBB railway network are currently treated with herbicides once a year as part of the chemical vegetation control. On railway line tracks and continuous main line tracks, herbicides are applied by means of a spraying train (also known as a "Multi Module Train", abbreviated to "MMT"), fitted with an optical device for the detection of greenery and EDP-supported spraying control for pinpoint treatment. The greenery detection system used here makes it possible to only apply spraying agents where there is actually plant growth in the immediate track area. Chemical vegetation control on station and shunting tracks is performed with manually controlled small sprayers (rail-mounted and two-way vehicles). A prototype small injection unit, also equipped with greenery detection, was developed and tested in order to improve selectivity in the small injection units. The acquisition of more of these devices is planned for the near future. As a result of constant optimisation measures in recent years, the amount of glyphosate used has been significantly reduced - from 9.5 t (2014) to 6.2 t in 2020. In December 2017, the EU Commission extended the possible use of glyphosate by five years. ÖBB-Infrastruktur AG is, however, already striving to switch to alternative available herbicides and continues to participate intensively in research projects. The aim of these projects is to find and test alternative substances that are currently not approved for use on railway tracks, or chemical-free methods. The current view is that the future strategy to keep tracks free of vegetation will consist of a combination of different methods, which will need to be adapted to local challenges. ÖBB-Infrastruktur AG is also involved in an international exchange with other railway operators in order to find solutions to this problem, which is similar for the entire railway sector.

Climate change

Climate change is one of the great challenges of our time. The ÖBB Group is making a significant contribution to Austria's climate protection by shifting transport to rail, thereby reducing the burden on the climate by more than 3.5 million tonnes of CO_2 per year (data basis ÖBB GHG balance of transport performance 2017. Assumption: ÖBB transport services are provided as a substitute with average passenger cars or with diesel-powered 40 t semi-trailer tractors). This corresponds to about 4% of Austria's total emissions, but the shift potential is still far from exhausted. The main obstacles lie in the area of transport policy framework conditions and the distortions of competition resulting from the lack of true costs and the lack of implementation of the polluter-pays principle. The use of climate-friendly hydropower makes an important contribution to the positive CO_2 balance of the ÖBB Group. ÖBB-Infrastruktur AG has been providing traction current from 100% Austrian renewable energy to RUs since 2018. Almost a third of this is produced in our own power plants. ÖBB has continuously reduced its specific CO_2 emissions by 246,753 t CO_2 since 2006, which means that in 2019 it has reduced its emissions by around 46% compared to 2006.

Since 2019, the three-phase power supply of the operating facilities has also been 100% from renewable energy sources.

The railway infrastructure also needs to adapt to the effects of climate change. The essential foundations for the adaptation and reduction measures, both in the organisational and in the technical as well as in the normative areas, were already laid in 2012 within the framework of the research project "KLIWA" together with the Federal Environment Agency and the Institute of Meteorology at the University of Natural Resources and Applied Life Sciences.

The research work will be continued in the course of transport infrastructure research with the project "clim_ect, climate change and impacts on natural hazards", which will be completed in 2021. Another aim of this project is to derive possible adaptation measures from climate change. In addition, a further climate change adaptation project on the forecasting of extreme weather events and the effects of climate change on the primary energy supply for rail transport is to start in 2021.

Climatic changes, be they changes in precipitation patterns (more intense precipitation, rain, snow, etc. in a specific, tending to be shorter time interval), the increase in average temperatures, the increase in wind speeds or the change in terms of frequency and intensity of weather events, can also have an impact on the entire railway structure as well as on the area close to the railway (embankments, slopes, torrent and avalanche catchment areas, etc.) and thus ultimately on railway operation.

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 on climate related changes, as it is especially difficult to predict these localised extreme weather events, which result in major consequential damage.

Damage to railway facilities and line interruptions due to storms are increasingly possible in the future. 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.

Another possible risk is track distortions, which could increase in the future due to the increase in heat days and rising daily maximum temperatures. Appropriate preventive measures such as the dispatch of heat warnings via ÖBB's own weather warning system infra:wetter and a uniformly defined procedure for work on the track have already been implemented.

Measures aimed at being prepared for possible consequences are of particular importance with regard to climate change. Effective preventive measures or monitoring and early warning systems that detect emerging dangers at an early stage and inform about them quickly and efficiently are of great importance in this context. In this way, it is possible to initiate measures in good time and avert or reduce possible damage. This makes a decisive contribution to safe railway operations and optimum track availability.

Individual measures are described below:

Infra:wetter

Description

Infra:wetter is an ÖBB-owned and route-related weather warning system that provides users with information on major weather situations and regional meteorological conditions as well as a preview of the coming 72 hours. In addition, warnings, for example heavy rain, thunderstorms, snow amounts, etc., can be sent via infra:wetter in different intensity levels by e-mail or SMS and delivered to the users according to their requirements for warning levels and transmission times. This allows for the best possible preparation and planning for the predicted weather scenarios.

Since an increase in extreme weather events, such as extreme temperature peaks in winter and summer, as well as more short-term occurrences of alternating weather conditions, especially heavy rain and storms as well as thunderstorms, have been observed, the following further development measures have already been implemented for the infra:wetter:
- Development of a mobile infra:wetter version
- Forecasts for snow drifts and possible breakage of trees caused by wind
- Introduction of thresholds for heat warnings in the summer months
- Adjustments to the current thresholds for the different warnings based on analyses and evaluations as needed

Methodology

Weather data, some of which is also obtained from ÖBB's own railway-specific weather stations, is processed by a private weather service and made available on ÖBB's own infra:wetter platform. All authorised persons then have access to current meteorological information at any time. In addition to individual weather station data, radar data can also be retrieved and displayed. A separate procedural instruction regulates the dispatch of continuously updated weather warnings via SMS and e-mail.

Time period

Ongoing

Natural hazard map

Description

The natural hazard map shows the results of the nationwide standardised and objectively surveyed potential hazard areas due to natural hazards, in particular rockfall and torrent events, along the ÖBB route network. This strategic overview serves as a basis for implementing preventive risk-reducing measures, which can be technical or organisational. The five-levels of categorisation make needs-based prioritisation possible. In combination with the infra:weather warnings, specific local short-term operational decisions on measures can be made. The natural hazard map is thus also an important knowledge base with regard to climatic changes in order to maintain the high safety standard for the protection against natural hazards.

Methodology

The catchment areas of the different processes as well as existing protective structures are surveyed and documented with standardised recording sheets for those stretches with general exposure to natural hazard processes. Since 2012, the field surveys have been preceded by numerical semi-quantitative impact calculations. A morphometric analysis based on high-resolution topographic data is conducted within the framework of "preprocessing" in order to obtain the characteristics of the hazard catchments with regard to detachment, transport and deposition forms. These have the advantage e.g. that movements of earth and run-out lengths of debris flows can be simulated and mapped for different events and rockfall scenarios. In the course of the preliminary on-site survey to assess the relevant process areas, the results of the numerical preliminary analysis are checked and any additional findings regarding the assessment of the process activity are made. Both the relevant process separation areas and the transport and deposition forms are assessed on site for this purpose. An information category is determined by a commission of ÖBB's own experts for each potentially hazardous area together with the exposure of the construction stage to the natural hazard process. The shape and size of the railway passage are also recorded with regard to torrent processes, as these determine whether events can be safely diverted or carried out. The results are coordinated with managers in the regions, with organisational or technical measures derived as necessary and visually presented.

Time period

The complete survey of potential danger spots on the most sensitive stretches in terms of natural hazards has been completed for the rockfall and torrent processes by the end of 2019. It is expected that the commission will continue to define the categories of indications until 2021, including any measures that may be required as a result.

Flood impact

Description

Plans depicting the flood impact show, for the purpose of operational safety and line availability, those line sections where the railway lines in Austria are potentially affected by floods. A technical concept of measures (feasibility study) is deposited for the concretely affected sections of line in order to be available as a basis for medium and long-term planning projects. The contents of the flood impact assessment also form an essential basis for the evaluation of flood protection projects by third parties that may have an influence on the railway. For example, the plans are used when negotiating contribution payments with third parties.

Methodology

The federal government and the federal provinces as well as various civil engineering offices have obtained and continue to obtain the current runoff studies along the entire route network, evaluate them for ÖBB's questions and - if appropriately verified for plausibility - present them internally. The flood stop lines and their absolute water level position are compared in relation to the height of the railway embankment or the upper edge of the rails. If necessary, possible protective measures such as dam protection, retention areas, etc. are proposed.

Time period

Ongoing

Energy efficiency

The rail sector is an energy-intensive sector. The topic of "energy efficiency" is therefore of central importance for the ÖBB Group, not only for ecological but also for economic reasons. For example, energy efficiency criteria play an important role in the procurement of new rolling stock. In addition, the ÖBB Group is constantly making improvements to existing trains so that they too are more energy-efficient. Optimisation of buildings and facilities is another important factor for improving energy efficiency in the future. Positive results are evident in the reduction of energy costs and the protection of the environment through reduced emissions. The ÖBB-Infrastruktur Group is as a result making an important contribution to Austria's climate protection goals and to safeguarding our living space with this and with the conversion of the traction current supply (2018) and the three-phase current supply (2019) to 100% renewable energy sources.

Energy efficiency measures 2020 at ÖBB-Infrastruktur AG, savings compared to 2019:
- Three-phase current
  - Platform/track field/signal lighting - equipping with LED - saving 121.3 MWh, calculated from technical specification
- Heat
  - Building renovation - savings 246.3 MWh, calculated from technical specifications
- Diesel
  - Use of conveyor belts instead of truck transport (excavated material Semmering Base Tunnel) - savings 195.4 MWh

Energy consumption*)	2020	2019	Change	Change in %
Traction power in GWh	21.6	32.8	-11.2	-34%
Three-phase current in GWh	228.6	226.9	1.7	1%
Natural gas in GWh	75.2	80.3	-5.1	-6%
District heating in GWh	44.6	35.4	9.2	26%
Heating oil in GWh	19.3	22.6	-3.3	-15%
Fuel consumption in GWh	47.2	49.3	-2.1	-4%
Renewable energy share of traction power in %	100	100	0	0%
Renewable energy share of three-phase current in %	100	100	0	0%
Power from unknown sources in %	0	0	0	0%

The leaps in the consumption values of the individual years are mainly due to different weather patterns and different system utilisation.
*) The figures for energy consumption cover the entire ÖBB-Infrastruktur Group.

Vehicle fleet management

As of 31.12.2020, the ÖBB-Infrastruktur Group utilises a fleet of 3,298 motor vehicles. The bundling of fleet management agendas in the subsidiary Rail Equipment GmbH & Co KG ensures the efficient use of resources. In recent years, CO_2 emissions have been continuously reduced by taking ecological quality criteria into account in procurement and by continuously renewing the vehicle fleet. By the end of 2020, vehicles with Euro 6 engines will be almost exclusively in operation. The e-vehicle fleet comprises 92 electric cars and 18 electric bicycles and is being expanded continuously.

Special attention is attached to the greening of the vehicle fleet in the procurement of motor vehicles in order to further promote this positive development. Criteria for emissions (both CO_2 and NOX) and fuel consumption have been specified and evaluated. This ensures that the ÖBB-Infrastruktur Group's vehicle fleet will continue to be ecologically oriented and equipped with the latest engine technology in the future. Wherever possible, preference is given to the procurement of electric or hybrid vehicles.

Eco driving

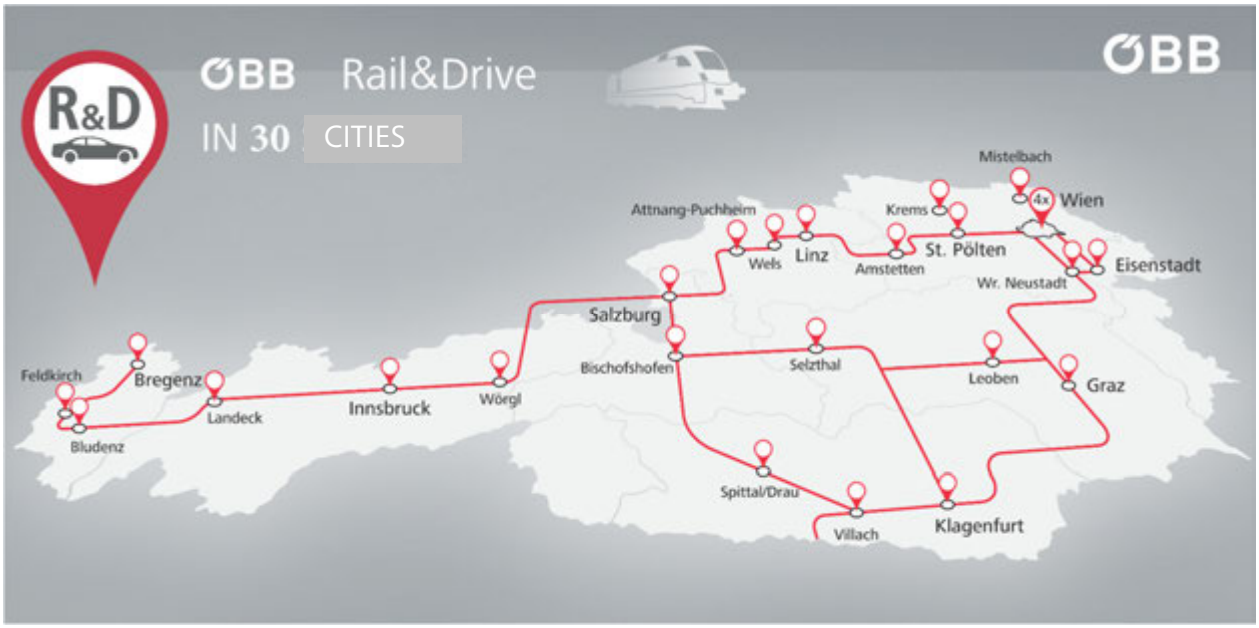
The COVID-19 pandemic prevented staff from being trained in fuel-saving driving behaviour in 2020 as part of the "Eco Driving" project.

Car sharing

The "CarPool" project aims to optimise the utilisation of company cars through an internal car sharing service. The roll-out of the pool locations throughout Austria means that 508 vehicles are now available to employees for business trips at more than 90 stations.

Since the 2017/18 timetable change, some of the pool vehicles have also been available to rail customers under the "ÖBB Rail&Drive" brand. 320 vehicles, including 55 electric vehicles, are available for use at 35 stations. The objective is to simplify access to the rail system, increase customer satisfaction and enhance intermodal competitiveness. The positive development has led to the ongoing development of the car sharing service, as well as its expansion and extension through cooperations.

Rail&Drive was the winner in the 2019 Greenpeace Climate Check of the twelve largest car rental providers in Austria. The linking of rail and electric vehicles for last-mile mobility is being highlighted in particular.



Electric vehicles

An expansion of the electric vehicle fleet up to 240 vehicles (entire Group) is planned in the medium term in order to achieve a further reduction in CO_2 emissions.

High performance maintenance vehicles

In the 2020 financial year, the decision was taken to procure 50 heavy-duty maintenance vehicles. The vehicles are equipped with a hybrid component, which will lead to a significant reduction in fuel consumption for the maintenance vehicles in the future.

CO_2 emissions incl. vehicle fleet for ÖBB-Infrastruktur Group	Unit	2020	2019	Change	Change in %
Traction power (Scope 2)	Tons of CO_2 eq	0.0	0.0	0.0	0%
Three-phase current (Scope 2)	Tons of CO_2 eq	0.0	0.0	0.0	0%
Natural gas (Scope 1)	Tons of CO_2 eq	15,017.4	16,035.9	-1,018.5	-6%
District heating (Scope 2)	Tons of CO_2 eq	6,560.7	5,494.1	1,066.6	19%
Heating oil L+EL (Scope 1)	Tons of CO_2 eq	5,251.5	6,154.2	-902.7	-15%
Fuel consumption	Liters	4,885,657	5,092,960	-207,303	-4%
Fleet CO_2 emissions (Scope 1)	Tons of CO_2 eq	12,050.9	12,489.8	-438.9	-4%
Total emissions (energy requirements incl. vehicle fleet fuel)	Tons of CO_2 eq	38,881	40,174	-1,293	-3%
Total number of vehicles	Number	3,298	3,352	-54	-2%
Number of rail-bound vehicles	Number	2,447	2,497	-50	-2%
Number of 3.5 tonne trucks	Number	149	158	-9	-6%
Number of trucks less than 5 tonnes	Number	17	17	0	0%
Number of trucks more than 5 tonnes	Number	26	27	-1	-4%
Number of multi-lane e-vehicles	Number	92	47	45	96%
Number of vehicles with Euro 4 emissions class	Number	5	7	-2	-29%
Number of vehicles with Euro 5 emissions class	Number	330	752	-422	-56%
Number of vehicles with Euro 6 emissions class	Number	2,863	2,546	317	12%

Emission factors used for the calculation (calculation by Federal Environment Agency): Traction current and three-phase current as of 2019, natural gas, district heating and heating oil according to the currently available emission factors. The CO_2 emissions for 2019 have been recalculated to reflect the conversion of the three-phase power supply to 100% renewable energy and the breakdown into scopes that took place in 2019. This results in deviations from the published values of the previous year.

The variance in CO_2 emissions between the years results from the fluctuating demand quantities.

Protection of areas and species

As one of the largest land managers in the country, ÖBB-Infrastruktur AG also assumes responsibility for the habitat of fauna and flora through various nature and species protection projects in all federal provinces as well as through diverse cooperations with environmental NGOs. This includes both the construction of the railway facilities, where in the context of projects subject to EIA, attention must be paid to avoidance, mitigation, compensation and replacement in the event of negative environmental impacts in order to obtain a project that can be approved, and the operation of the railway facilities, where, for example, environmentally friendly lighting and many other measures to preserve biodiversity are implemented. Scientific surveys on railway areas repeatedly underline their enormous value for the conservation of biodiversity, regardless of whether they are recently created compensation areas or railway areas that have existed for over a hundred years.

Nature conservation and species protection in Austria are legally established at the level of provincial legislation. All new construction and expansion projects are therefore also planned and implemented in accordance with nature conservation and species protection law in the course of the approval procedure. In addition, specific regulations related to the environment and nature conservation (guidelines and regulations for roads, RVS, and guidelines and regulations for railways, RVE) are used. The consideration of the respective Red Lists of endangered species is thus systematically guaranteed.

The length of the route network in operation in 2020 was 4,875 km (py: 4,877 km), the land area 190.2 km² (py: 190.8 km²).

Area of ÖBB-Infrastruktur AG*) in km²	2020	2019
Total area	190.2	190.8
Managed net building floor space of all buildings (incl. railway stations)	8.4	8.4
Net floor space of buildings (excluding railway stations)	2.6	2.7
Other open spaces (gardens, meadows, embankments, etc.)	7.1	7.4
P & R facilities	1.3	1.3

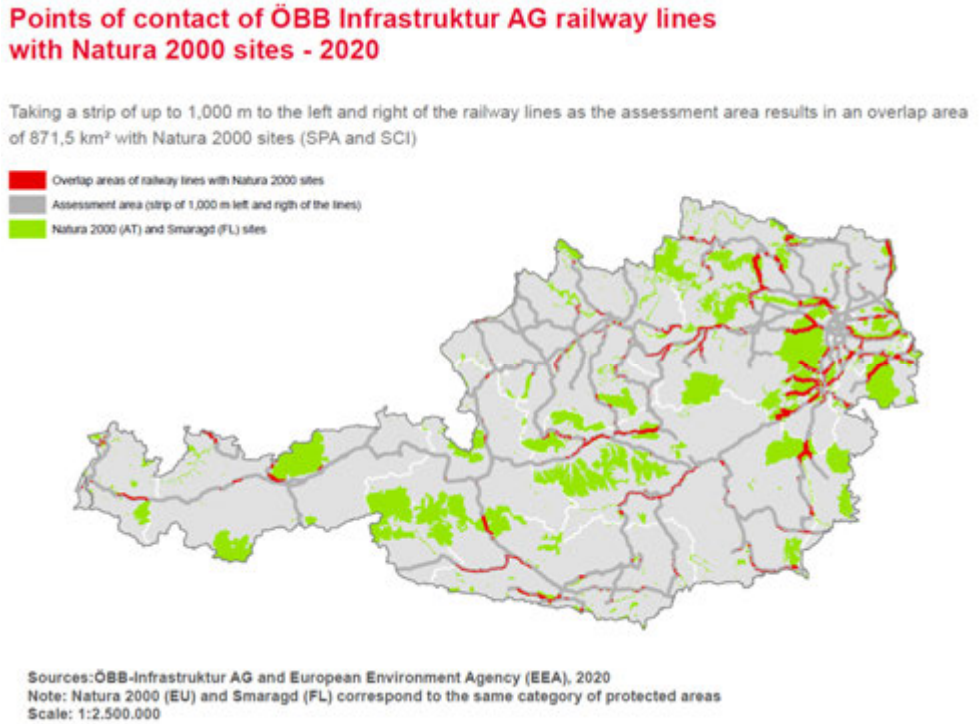
*) Areas under the management of ÖBB-Immobilienmanagement GmbH.

Due to their extensive cultivation, the railway areas function as a refuge and migration corridor for rare animal and plant species as well as a connecting element between different habitats in Austria. The ÖBB route network runs through almost all cultural landscape areas in Austria, the lowest point is in the municipality of Purbach on Lake Neusiedl at 128 m above sea level, the highest point is at the Brenner Pass at 1,370 m above sea level. As there is an increased risk of natural hazards in the form of avalanches, mudslides or rockfall, especially in the alpine areas of the route network, this problem is countered by specially qualified staff using both state-of-the-art and tried-and-tested technology.

Natural hazard management also includes forestry activities to ensure the protective forest function in the alpine areas and to guarantee safe and undisturbed railway operations, as unsuitable vegetation in the railway environment can have a negative impact on railway operations. Traffic safety around tree cover must also be ensured in publicly accessible areas such as at railway stations or Park & Ride facilities. ÖBB-Infrastruktur AG has created its own tree registry for this purpose.

As of 31.12.2020, 10,786 trees and 198 different tree species were recorded in the ÖBB-Infrastruktur AG tree registry (2019: 11,218 trees, 201 tree species and varieties). The three most common tree species on publicly accessible railway land in 2020 were Norwegian maple, birch and horse chestnut, each with about 750 to 950 specimens.

In recent years, hundreds of hectares of ecological compensation areas valuable for nature conservation have been created in the vicinity of major new construction and expansion projects (a quantitative record and location of these areas in the geographic information system of ÖBB-Infrastruktur AG is being planned). These areas have demonstrably contributed to the significant improvement of biodiversity in the respective regions and today represent important stepping stone biotopes. Even the railway support areas on the existing network enable landscape connectivity and migration opportunities for migratory animal species on the increasingly intensively used and built-up areas. Crossing facilities enable animal species with high habitat requirements to cross the railway lines without danger. In addition, a research project was launched to test wildlife warning devices for use on railway tracks in order to largely avoid wildlife collisions at neuralgic points in the future. Plastic caps are fitted to the mast tops to protect large birds from electric shocks in coordination with the bird protection organisation Bird Life Austria. Bird impact on glass surfaces is prevented by a bird protection marking in the form of 4 mm thick black lines at 50 mm intervals on the glass surfaces. Unfortunately, nature conservation law proves to be an obstacle when it comes to implementing voluntary biotope improvement measures for protected species. These measures, such as the creation of amphibian spawning grounds or the spreading of seeds of strictly protected plants, would be operationally, technically and financially feasible, but are often not realisable due to the prohibitions in species protection law, as there is a risk of later complications and requirements in the case of operational or construction measures. ÖBB-Infrastruktur AG has also been actively involved in the preparation of the National Biodiversity Strategy 2030 and, among other things, has also pointed out the dilemma mentioned above. On 24.06.2020, the launch of the "Reverse" project, which is supported by the International Union of Railways (UIC), also took place. Reverse aims to analyse in detail negative and positive impacts of rail on natural diversity and to develop guidelines and an action plan for the rail sector to be able to present the contributions of rail to SDG 15 (Life on Land). ÖBB-Infrastruktur AG is a key driver of this international project for the protection of biodiversity.



Explanation of the illustration: The assessment area shown above was chosen in order to be comparable with a scientific study by the University of Vienna on the influence of the landscape area in 2012, which also used this grid. The data, however, do not allow any conclusions to be drawn about an actual negative or positive impact on the Natura 2000 sites by railway operations, and only serve as a basis for planning. The protected area designation “Smaragd" (Emarald) in the Principality of Liechtenstein corresponds to the EU's Natura 2000 protected area category.

Water consumption

In 2020, the water consumption of ÖBB-Infrastruktur AG amounted to around 1.2 million m³ (1,194,289 m³)[51], in 2019 it was also around 1.2 million m³ (1,238,686 m³). Most of the water (drinking and non-potable water) comes from the municipal supply; in addition, there are 137 springs located on railway land that are used on the basis of existing water rights from the past. ÖBB-Infrastruktur AG does not operate any water treatment plants for municipal wastewater, but discharges it into the central, public drainage system.

Sustainable track drainage is a key factor in ensuring the long-term safety and stability of railway tracks. In this process, the precipitation water from the track structure and any water flowing in over embankments is collected via ditches, ditch walls or drainages and safely conveyed to the nearest receiving watercourse (discharge point into a body of water). The amount of water that accumulates depends on the number of tracks and the topographical conditions. Water extraction or water consumption does not take place here. If, for example, underground water comes to the surface in embankments, it is collected and also channelled to the nearest receiving watercourse. The discharge of precipitation water into the receiving water (e.g. stream, river, groundwater) takes place in such a way that there are no harmful effects. Where receiving waters are subject to water stress, retention devices such as throttle gates are provided, depending on the amount of water and the possible absorption capacity of the receiving water. In the course of water recirculation, water tests are also performed from a chemical perspective, especially for the individual construction phases, so that appropriate measures can be taken to ensure that the receiving waters are not adversely affected by water recirculation. Examples are: Sedimentation basins, water protection systems, filter systems, etc. As a rule, regular railway operations do not cause any pollution of the receiving water or leakage of harmful substances. Discharges are only in accordance with the requirements of the Water Act and in compliance with the relevant water law permits. Consultations with the authorities, fishing rights holders, municipalities, etc. take place before applications for water law permits are made. The aim here is to reach a consensus and to ensure the sustainable discharge of the railway water into the receiving watercourse without negatively affecting it.

Waste water that occurs in the form of precipitation water from the entire railway structure as well as water flowing in from embankments is not discharged directly into bodies of water (from small streams to large rivers as well as groundwater, etc.), but is always subjected to purification by means of humus filters, sedimentation and infiltration basins. Water from incidents (e.g. in the tunnel) is collected separately. The discharges are always equipped with shut-off facilities that are possible to close immediately in the event of a malfunction. This prevents the discharge of polluted water into bodies of water. The bodies of water may be designated as protected areas (e.g. groundwater protection areas or groundwater conservation areas). Reuse of the discharged water by other organisations does not take place. In the case of projects subject to EIA, an ecological inventory of the affected area is also undertaken in the course of planning. Measures are developed and ultimately implemented after obtaining all the necessary permits, so that the natural habitats for fauna and flora are preserved. This means that the railway projects also make a significant ecological contribution.

Noise

Physical laws cannot be suspended: Rolling wheels on rails generate sound, this cannot be completely prevented. ÖBB, however, is doing everything it in its power to contain and reduce noise emissions. In the course of noise remediation on existing lines, noise barriers and soundproof windows are erected or subsidised. Noise protection measures are taken into account and implemented from the outset for new and upgraded lines. As a result, in 2019 there were almost 1,000 km of noise barriers and noise protection dams on almost 5,000 km of track (operational length) and almost 10,000 km of track in the ÖBB-Infrastruktur AG network.

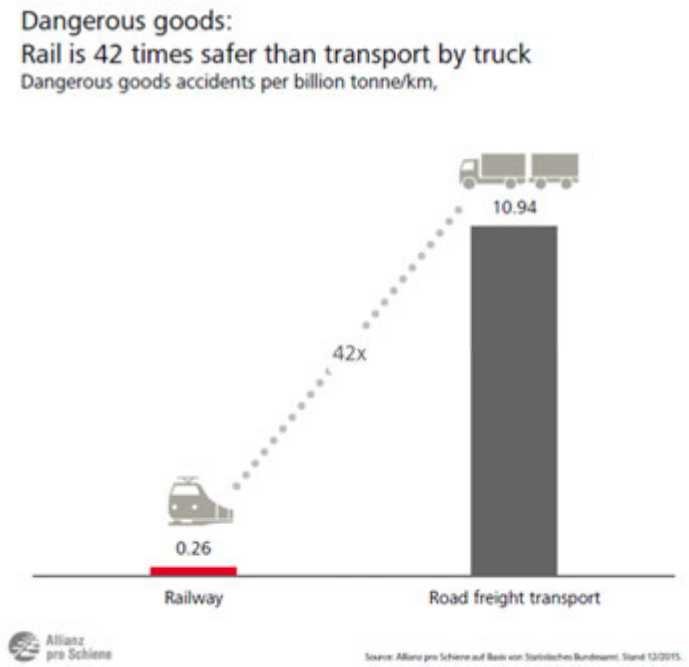
The European Interoperability Directive NOI TSI provides for "quieter lines" on which only quiet freight wagons are allowed to run from 08.12.2024 onwards. ÖBB-Infrastruktur AG continues to grant the reduction of the infrastructure usage charge ("noise bonus") introduced since the 2018 working timetable period for goods transport services of RUs - provided they use freight wagons retrofitted with quiet brake blocks (this noise bonus is designed in accordance with Article 4 of Implementing Regulation [EU] 2015/429). This led to the fact that, for example, as of September 2020, around 80% of the Austrian fleet of the Rail Cargo Group (RCG) had already been converted as quiet wagons.

Future topics for reducing railway noise are being developed within the framework of research projects at ÖBB-Infrastruktur AG: These concern both the systematic testing of superstructure components and the mutual dependencies between vehicle and track in terms of noise. A selection of research projects are provided regarding the "Quiet Wagons" initiative at https://konzern.oebb.at/de/leise-gleise/forschung-entwicklung.

[51] At the time of reporting for 2020, it should be noted that only about 75% of the water meters had been read, as the reading of the water meters is to be completed by 31.03.2021.

Dangerous goods

Rail is a much safer mode of transport for the transport of dangerous goods than road, for example.



The RID (Regulation concerning the International Carriage of Dangerous Goods by Rail) 2019 edition has reporting guidelines for accidents and incidents involving dangerous goods in the course of transport or loading. The quantity thresholds vary depending on the hazardous nature of the substances. Such reports are to be submitted to the BMK in cases of injury to persons, damage to property or the environment, or closure of a main traffic route.

In 2020, there were no incidents that would have required such notification in accordance with section 1.8.5 RID / ADR (European Agreement concerning the International Carriage of Dangerous Goods by Rail and Road).

In addition, a total of 857 checks were conducted on RID vehicles in operation by employees of ÖBB-Infrastruktur AG - Technische Überwachung 2020. No notifications according to RID / ADR were required for these controls either.

Waste management

The main material inputs result from the main tasks of ÖBB-Infrastruktur AG: the planning, construction and operation of railway infrastructure facilities. The main mass is rail ballast, of which about 700,000 t are purchased per year. Concrete sleepers are in second place with around 60,000 t per year. The third most important input in terms of volume is the rails with about 30,000 t per year, all of which can be reused. At the end of their service life, all these materials are almost 100% recyclable.

ÖBB-Infrastruktur AG is one of the largest waste producers in Austria as a builder of large construction projects in the course of investments (renewal / new construction / expansion), but also in maintenance (inspection / maintenance / fault clearance / repair). The large quantities of construction and demolition waste are made up of different types (excavated material, mineral / organic / metallic waste and, to a lesser extent, hazardous waste), are produced to a very large extent in the course of major construction projects such as the construction of the Semmering Base Tunnel or the construction of the Koralm Railway and are primarily sent to landfill. The disposal of ÖBB-Infrastruktur AG's waste is handled either by means of framework agreements by the disposal partner Rail Cargo Logistics - Environmental Services GmbH (RCL-ES) in the form of a subsidiary of ÖBB-Holding AG, for municipal waste at the properties it manages by ÖBB-Immobilien GmbH (e.g. passenger stations or stops or office locations) or as part of construction projects. The waste quantities generated are exclusively consigned to authorised waste collectors or handlers as part of the disposal process.

The handling of resources and the efforts to avoid waste and reuse materials play an essential role within ÖBB-Infrastruktur AG. This is manifested, for example, in the form of mechanical cleaning of track ballast and its reinstallation in the ballast bed, as well as in the form of subsoil rehabilitation using excavation machines (AHM). In the process, the existing track ballast is crushed and mixed with new material and reinstalled as a base course.

Waste management table ÖBB-Infrastruktur AG

Note should be taken that the waste data for 2020 were not yet fully available at the time of reporting. This is due to the end of the waste management year on 31.12. and the subsequent recording of waste data from the various business areas and subsidiaries in a central database by 31.03. of the following year. Since this process had not yet been completed at the time of reporting and an extrapolation of the waste quantities would be subject to high inaccuracies, only the waste quantities already recorded for 2020 as of the reporting date of 05.03.2021 are presented here. The comparability of these waste quantities to the complete data of the previous year is therefore not given.

	2020 (2019)				
	Construction project waste		Operational waste		
Type of waste in tons	Non-hazardous waste[4]	Hazardous waste[4]	Non-hazardous waste[4]	Hazardous waste[4]	Notes to 2020
Reuse in construction projects	15,756 (83,690)				Excavated soil (SN31411-29 and SN31411-31) in own and third-party construction lots
Handover to recycling	105,093 (184,806)		28,128[5] (37,369)[5]	4	
Composting			1,488 (6,877)		Mown material leaves (SN92102), wood (SN92105) and shrub cuttings (SN92105-67)
Recovery (RM)[1]	194,000 (160,000)				Screening and reuse as track ballast
Recovery (mechanical cleaning technology)[2]	24,000 (43,000)				Crushing and reuse as base course
Waste incineration		16,186 (16,522)		75 (11)	Construction Projects Waste: Wood sleepers (SN17207) and wood tar oil impregnated (SN17209) operational waste: Wood salt impregnated (SN17208)99
In-house disposal sites[6]	- (3,251,651)				For 2020 not yet recorded
One-site storage[3]	-	-	-	-	Not recorded
Others	1,495,614 (1,789,800)	1,427 (11,621)	27,771 (26,739)	991 (5,315)	e.g. Asbestos cement, cooling and air-conditioning equipment, screens, paints, rubber, used tyres, etc.

1) Thanks to modern railway construction machinery, some of the materials produced at track construction sites can be re-integrated into the track on site as secondary raw materials. A special rail-bound, machine cleaning technology (RM) is used to screen track ballast and reuse it as track ballast.
2) Track ballast is crushed from the top 20 cm of the ballast bed and mixed with new base course material and reused as a base course during mechanical subgrade rehabilitation using AHM.
3) This corresponds to the temporary storage of material on site, which is later reinstalled. This temporarily stored mass is currently not recorded.
4) The disposal of **hazardous waste** is only permitted in underground landfills. In Austria, no underground landfills are operated, which is why the hazardous waste is processed at waste treatment facilities. The type of treatment varies depending on the type of waste (code number) and is subject to the economic and technical options available to the waste treatment facility. **Non-hazardous waste** is delivered to an authorised collection or waste treatment facility. The type of treatment varies depending on the type of waste (code number) and is subject to the economic and technical options available to the waste treatment facility (competition); a large proportion of this waste is delivered to a waste incineration plant.
5) Typical ferrous and non-ferrous metals (scrap).
6) Data collection is currently in progress and is to be submitted as a waste input-output report by 15 March of each year (for the previous calendar year).

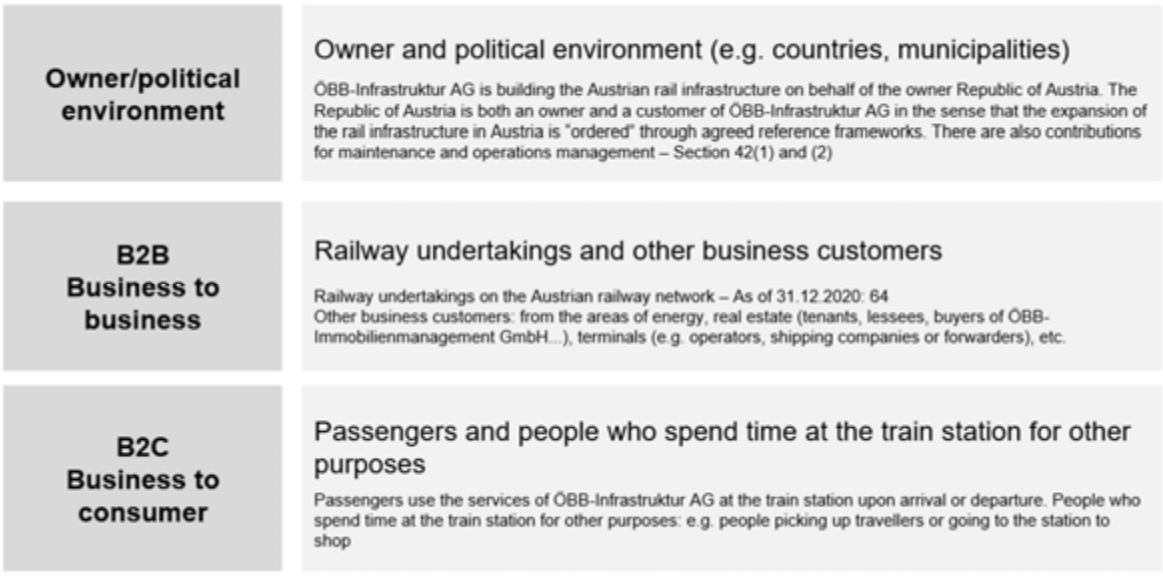
G.4. Social and employee topics (incl. stakeholder management)

Stakeholder management

ÖBB-Infrastruktur AG is in contact with a large number of stakeholders.

ÖBB-Infrastruktur AG customer groups

A significant part of the stakeholders are the customer groups of ÖBB-Infrastruktur AG:



Infrastructure usage contracts exist with 64 RUs and two Authorised Applicants (NEVU) (cut-off date 31.12.2020). The share of external RUs measured in terms of train kilometres is 3.8% in passenger transport. The share of external RUs in goods transport on a gross tonne-kilometre basis is 33.7%. The low share of external RUs in passenger transport this year is due to COVID-19-related cancellations (e.g. City Airport Train - CAT) as well as WESTbahn GmbH, which now only operates every hour.

In 2020, 54 external customers had concluded a traction current grid usage contract and 52 external customers had concluded an energy supply contract with ÖBB-Infrastruktur AG. This equates to a market share of around 96% in the liberalised traction current and energy market. Since 01.01.2018, all ÖBB-Infrastruktur AG customers have been supplied with traction current that comes 100% from Austrian renewable energy sources. (As of 31.12.2020)

Customer satisfaction surveys are conducted in the "market / contract customer" (B2B) and "customer" (B2C) areas. There are different methods used here (quantitative, qualitative, structural equation models, etc.). The added value of these customer satisfaction surveys with these customer groups can be described as follows:

- Knowledge of service provider satisfaction
- Survey of tangible potential for improvement
- Knowledge of future expectations / long-term customer needs
- Original feedback of the users
- Knowledge of basic opinions on ÖBB-Infrastruktur AG for the derivation of strategic strengths and weaknesses or opportunities and risks

Customer surveys are conducted at regular intervals (at least every two years).

Customer satisfaction surveys are not conducted separately for the customer groups "Owners / Political Environment" due to the complexity and the existing cooperation.

The results of the customer satisfaction surveys are made available to the company or the departments concerned by the Asset Management and Strategic Planning division, which provides the basis for further strategic orientation and for the further derivation of operational measures.

Irrespective of surveys, customer service (complaint management) is an indicator of customer satisfaction.

ÖBB-Infrastruktur AG has implemented a central customer service department that handles enquiries and complaints on infrastructure topics such as station equipment (park & ride, lift, seating ...), customer information at the station, cleanliness of the stations, construction work, etc. Concerns relating to passenger transport are handled directly by the ÖBB-Personenverkehr customer service.

Enquiries and complaints received by ÖBB-Infrastruktur AG via letter, e-mail (infra.kundenservice@oebb.at) or contact form (https://infrastruktur.oebb.at/en/contact/contact-form) are processed by ÖBB-Infrastruktur AG's customer service and forwarded to the specialist departments. An (initial) response to the customer to be provided within 48 hours (on working days). If other sub-groups of the ÖBB Group are affected, these enquiries and complaints are forwarded accordingly.

Items requiring action as well as attachments (incoming mail, correspondence with the customer if applicable, internal correspondence, e-mail undeliverability logs, etc.) are recorded and stored in the IT application "Remedy Complaint Management" during the process of handling enquiries and complaints. Periodic evaluations are the basis for management.

As the constructor and owner of numerous large-scale rail infrastructure projects, which are realised under highly complex conditions - for the most part during ongoing operations - stakeholder management is of considerable relevance: Planning and construction projects require tailor-made and coherent public relations work to ensure successful implementation. Information, communication and the greatest possible involvement of the population affected by the projects are the most important pillars of the measures implemented by ÖBB-Infrastruktur AG. These include the production of information folders, route maps, information for local residents, photos and films, exhibitions and info boxes, but also the organisation of events (ground-breaking ceremonies, tunnel inaugurations and breakthroughs, plan exhibitions, opening ceremonies, etc.) and site visits, as well as the presentation of the projects on the Internet and on social media channels.

The primary goal is to inform the stakeholders affected by the projects in a timely, continuous and transparent manner about the current planning and construction activities. A model of citizen participation has been or is being used for large rail infrastructure projects, such as the Koralm Railway Graz - Klagenfurt or the Semmering Base Tunnel, which are subject to the EIA Act.

Project-related public relations work is performed by the Project Information Team in the Asset Management and Strategic Planning Division in close coordination with the project and regional managers responsible for technical planning and implementation.

The topic of "Safety on Railway Installations" is enormously important for ÖBB-Infrastruktur AG, which is why a lot of time and also money is invested every year in raising awareness of dangers on railway installations. It is a fact that every year in Austria people have accidents on railway tracks as a result of carelessness and recklessness, some of them, unfortunately, with fatal consequences. Young people in particular need to be informed and made aware in order to avoid accidents due to carelessness or ignorance. ÖBB-Infrastruktur AG therefore launches a safety campaign every year at the beginning of school to promote safety behaviour near railway facilities. This directly involves one of the most important and potentially most vulnerable stakeholder groups. The focal hub of the campaign is the ÖBB website www.passaufdichauf.at.

In addition, safety awareness lectures are offered at schools, but were through necessity suspended in the spring. Since school started, we have been offering the possibility of virtual presentations. The topic of "raising awareness of the correct behaviour at railway crossings" is given special attention every year around the "International Level Crossing Awareness Day" (ILCAD) at the beginning of June. This occasion was used to design, print and distribute a railway crossing folder, as well as to inform the public in a press release about the possible dangers at railway crossings caused by carelessness. The special train trip initiated by ÖBB-Infrastruktur for many years, which gives driving school teachers and examiners the opportunity to look "over the shoulder" of train drivers and to take their perspective, unfortunately could not take place this year. A Europe-wide exchange of ideas on International Rail Crossing Day takes place within the framework of (virtual) ILCAD meetings of the Union internationale des chemins de fer, International Union of Railways (UIC).

Currently, the organisational units and subsidiaries of ÖBB-Infrastruktur AG are members of 86 national and international organisations and institutions in the fields of transport, energy, technology, environment, standardisation, etc. These include the International Union of Railways (UIC), the Austrian Society for Roads and Traffic (GSV), the Austrian Energy Agency (AEA) and many more.

The 2016 ranking of the SORA Institute demonstrates that ÖBB is seen as a credible company by 73% of its stakeholders and is thus in the top three of the most credible Austrian companies.

According to a survey by the European Brand Institute, the brand value of the ÖBB brand as an integrative indicator of economic success has developed positively in recent years and in 2020, with a brand value of around EUR 1.9 billion in 7th place among the "Austrian Top Brands".

As part of the "Sustainable Brand Rating Austria 2020", the European Brand Institute for the first time examined the contribution of the brands of public sector companies and organisations to sustainable development in Austria in the five sectors of transport, utility infrastructure, energy suppliers, health and social infrastructure and finance in the four categories of Brand Leadership, Product / Services, Social Responsibility and Investment in Austria. The catalogue of criteria with 52 indicators, derived from the UN Sustainable Development Goals (SDGs) of Agenda 2030 and ISO 20671, was evaluated with the "EBI Scoring Model" and converted into a "Sustainable Brand Rating". ÖBB achieved first place in the Brand Leadership, Social Responsibility and Investment categories and second place in the Product / Services category. ÖBB also achieved first place in the transport sector with an AAA rating (Above Average).

SORA and EBI brand value analysis relate to the ÖBB Group. As the public hardly perceives the subgroups of ÖBB as independent companies and the subgroup ÖBB-Infrastruktur AG is the largest subgroup of ÖBB, the results of the above-mentioned studies may also be claimed for ÖBB-Infrastruktur AG.

Austrian rail passengers are in 1st place within the European Union in terms of kilometres travelled and, according to the European Commission's Eurobarometer, are among the most satisfied rail customers in the EU.

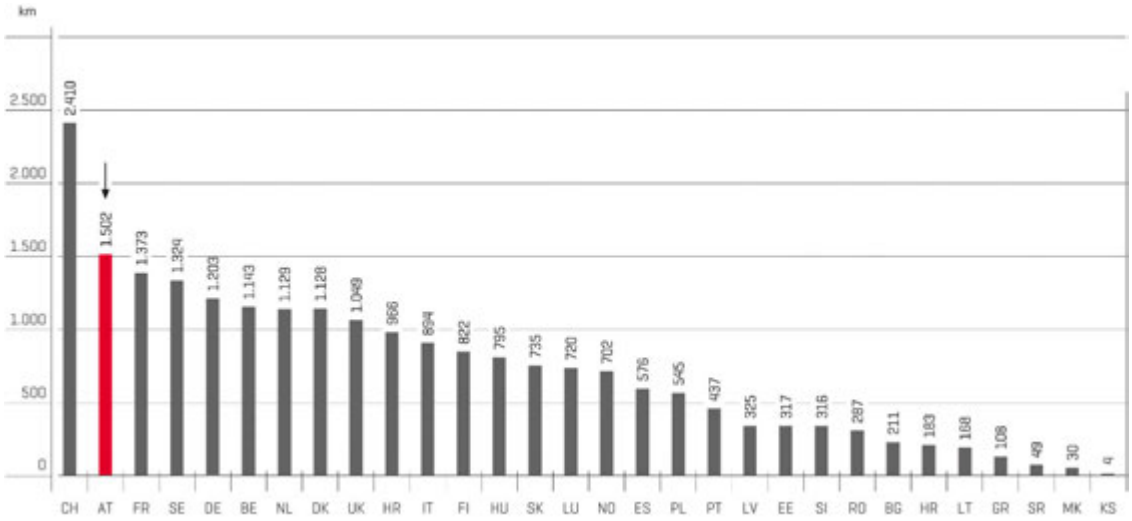


Figure: Distance travelled by train per inhabitant in 2018. Source: Survey and calculation Schienen-Control, IRG-Rail Market Report.

Personnel

The staffing figures of the ÖBB-Infrastruktur Group are as follows:

			Change		Average	
Number of employees (headcount)	Dec 31, 2020	Dec 31, 2019	Reporting date	in %	2020	2019
Employees	4,670	4,328	342	8%	4,513	4,138
Workers	3,049	2,747	302	11%	2,904	2,580
Tenured employees	9,358	10,097	-739	-7%	9,718	10,222
Total (excl. apprentices)	**17,077**	**17,172**	**-95**	**-1%**	**17,135**	**16,940**
Apprentices	1,532	1,562	-30	-2%	1,394	1,419
Total (incl. apprentices)	**18,609**	**18,734**	**-125**	**-1%**	**18,529**	**18,359**

			Change		Average	
Number of employees (FTE)	Dec 31, 2020	Dec 31, 2019	Reporting date	in %	2020	2019
Employees	4,569.0	4,235.7	333.3	8%	4,414.9	4,047.6
Workers	3,039.5	2,740.7	298.8	11%	2,896.1	2,575.3
Tenured employees	9,184.4	9,859.3	-674.9	-7%	9,509.2	9,968.1
Total (excl. apprentices)	**16,792.9**	**16,835.7**	**-42.8**	**0%**	**16,820.2**	**16,591.0**
Apprentices	1,532.0	1,562.0	-30.0	-2%	1,393.7	1,419.4
Total (incl. apprentices)	**18,324.9**	**18,397.7**	**-72.8**	**0%**	**18,213.9**	**18,010.4**

Tenured employees are ÖBB staff members who are subject to the "General Terms and Conditions for Employment with Austrian Federal Railways" (AVB), whose employment began prior to 01.01.1995, and cannot be terminated, as a result of the provisions in the AVB. This category of employees will shrink over the next few years due to an impending wave of retirements.

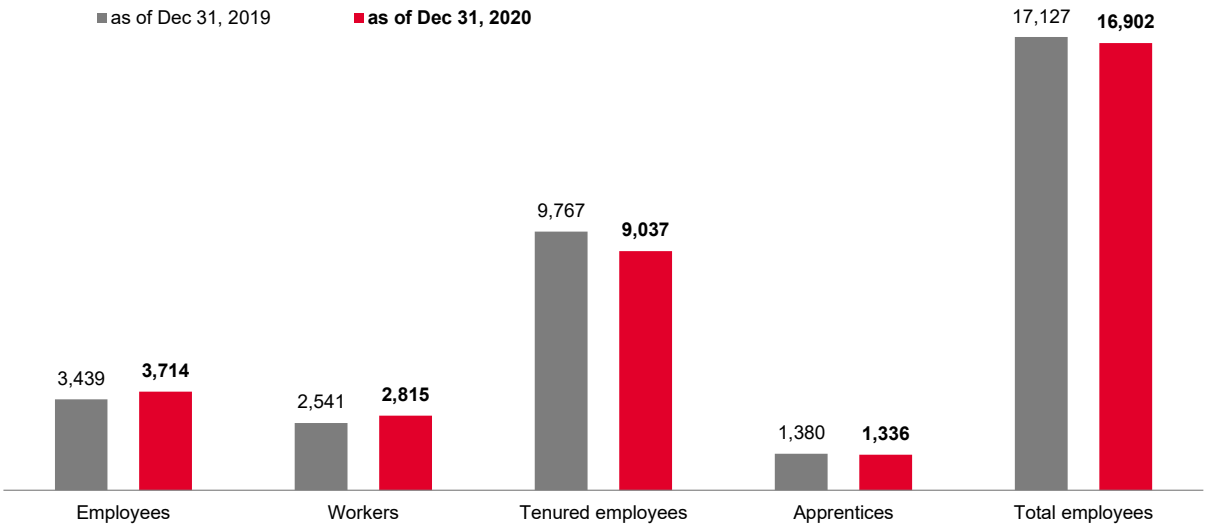
The ÖBB-Infrastruktur Group employs staff who are subject to the AVB (the majority of whom have a tenured position) and staff who are subject to collective agreements . One subsidiary (Rail Equipment GmbH & Co KG) also employs staff who are not subject to a collective agreement and are subject to the Salaried Employees Act. 99.8% of the employees are nevertheless covered by a collective agreement. There are no differences in the remuneration systems of men and women. The minimum salaries stipulated in collective agreements are granted in any case within the scope of application of collective agreements, but a large proportion of employees receive a salary above these minimum standards.

The number of employees in the ÖBB-Infrastruktur Group declined to 18,609 in the reporting year. Around 50% (py: around 54%) of the headcount was accounted for by employees with tenured positions. The average age in Austria (not including apprentices) was around 45.9 (py: around 43.9) years. The proportion of women (including apprentices) was around 9.2% (py: around 8.6%)

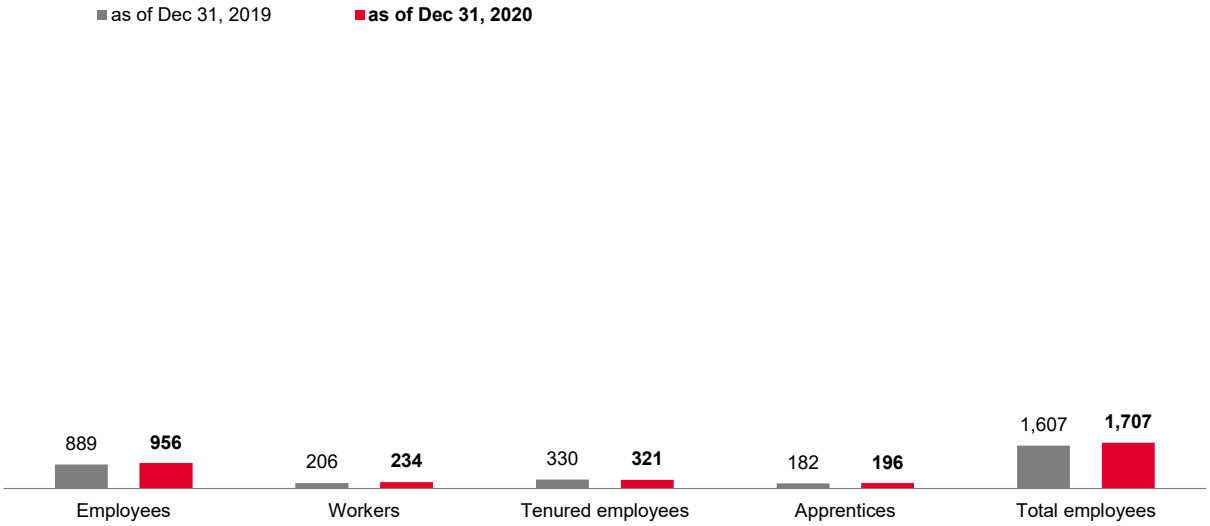
The percentage of locally recruited management is 100%. The definition of "local" is based on birth or unlimited right of residence in Austria. The management policy of the ÖBB Group defines managers as executive management, management levels 1 and 2, and control levels A and B. Managers are only deployed at "main business locations".

Gender distribution by employment relationship

Total male employees



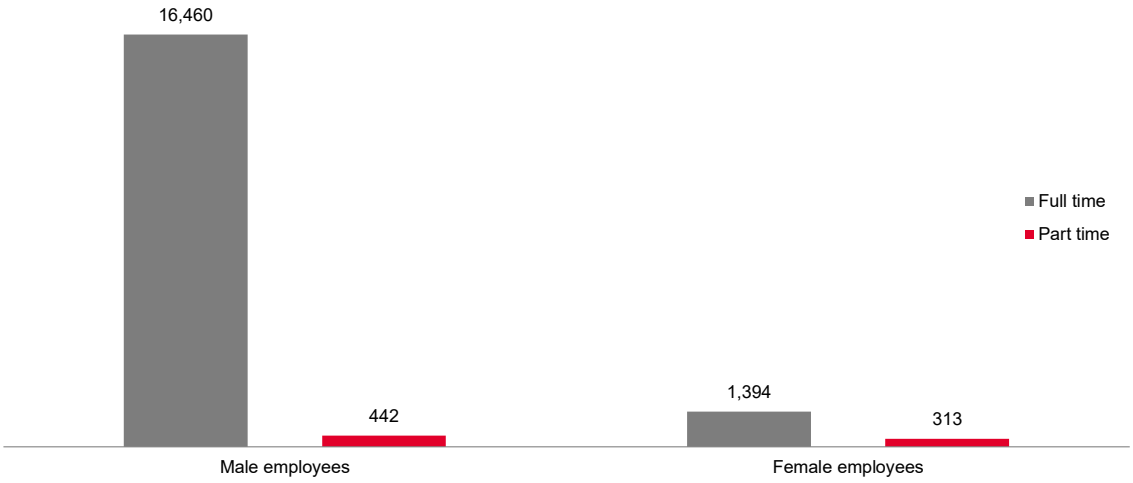
Total female employees



In addition, an average of 379 (py: 418) external leasing staff were employed in the 2020 financial year, particularly in the area of facility services (security, cleaning).

In 2020, 275 (py: 276) men and 60 (py: 45) women in the ÖBB-Infrastruktur Group were on fixed-term contracts and 16,627 (py: 16,851) men along with 1,647 (py: 1,562) women in permanent employment. In 2020 then, a total of 335 (py: 321) employees were on fixed-term contracts and 18,274 (py: 18,413) employees in permanent employment.

Employee structure based on level of employment



Technical training and apprenticeship training in the ÖBB Group

ÖBB-Infrastruktur AG bundles ÖBB's railway-specific training and further education under the motto "From apprenticeship to master's degree". Since 2017, the "Railway and Apprenticeship Training Centre" (BZELW) business division has been providing top-quality services for this purpose for ÖBB and the Austrian economy. A large proportion of the apprenticeships, the entire operational, vehicle-related training and further education of employees, is conducted by the business unit itself; in addition, cooperation with external training providers is coordinated.

As the largest technical apprentice trainer, ÖBB-Infrastruktur AG offers 20 apprenticeships throughout Austria. Currently around 1,800 young people (including apprentices of the General Private Foundation for Vocational Education and Training) were trained as highly qualified skilled workers, primarily in technical professions. The training is distinguished by the state, for example with the Viennese seal of quality as a "TOP apprenticing company". The apprenticeship graduates win numerous prizes and awards in vocational competitions every year. 98% of apprentices successfully complete their apprenticeship period, of which around 60% with good or excellent success. This enables apprenticeship training to support the active change of generations in the Group and, with a takeover rate of over 75%, to place many young colleagues in attractive and challenging jobs.

ÖBB-Infrastruktur AG also promotes "Apprenticeship and Matura" and thus opens up an opportunity for its apprentices to gain further qualifications. 206 young people have taken advantage of these. In addition to 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, and was thus able to achieve a female proportion of 19.4% in new admissions among apprentices for the first time this year. This commitment earned ÖBB-Infrastruktur AG's apprenticeship training the "amaZone Award" in 2019.

The training project "Diversity as an Opportunity" of ÖBB-Infrastruktur AG is a training project specifically designed to meet the needs of young refugees. 70 young people who fled without the accompaniment of an adult caregiver, mainly from Afghanistan and Syria, are currently being supported throughout their apprenticeship period through special support programs, intensive training in German and mathematics, as well as tutoring and mentoring. This project is being implemented in cooperation with AMS Vienna and the lobby.16 association and was awarded the "State Prize for Mobility" in 2015.

The apprenticeship training department of ÖBB-Infrastruktur AG has invested in many new and modern facilities in recent years. The new training workshop in Vienna was opened in October 2018. The Vienna training workshop in the 10th district currently offers 700 apprentices optimal conditions for learning a technical profession at the most modern state of the art. The facility also houses a purpose-built future lab where, in addition to 3D printing, robotics and virtual reality technology are studied for educational purposes. Investments are also being made in the other locations: In the last few years, about 44.0 million was invested in the training workshops in Feldkirch, Innsbruck and Knittelfeld as well as in the apprentices' home in St. Pölten for a new building/reconstruction. In addition, developments are also evident in the range of professions on offer: Since autumn 2019, young people have been learning the future-oriented professions of "e-commerce office clerk" application development - coding. In addition, the apprenticeships electrical engineering - energy technology and refrigeration technology will be offered in 2020, which create added value in the area of the "green economy".

In 2020, there was strong investment in the further development of e-learning systems within apprenticeship training, among other things in the wake of the pandemic situation. In March 2020, for example, a learning platform was set up for the apprentices, which enabled a large number of online lessons as part of the necessary distance learning measures.

In the area of railway-specific training and further education, the training focus of the two training centres in Kundratstraße in Vienna and in St. Pölten-Wörth as well as the regional training centres continues to be on the railway-specific job profiles of "train driver", "train dispatcher" and "shunting". Furthermore, thousands of internal and external participants are trained in safety behaviour and working in the track vicinity every year. The annual further training of employees who perform operational functions and activities contributes to the safety of operations management. The BZELW offers training and further education for ÖBB employees, but also for employees of external companies. In 2020, we placed special focus on customer satisfaction. ÖBB-Infrastruktur achieved a mean score of 1.6 in its first participation in the large-scale B2B customer satisfaction survey. The most important assets are our training quality and our strong customer relationship

2020 has also brought great challenges to the field of education and training as a result of the COVID pandemic. Numerous measures were initiated to ensure that the courses could continue to operate: A partial switch to online teaching and e-learning, safe framework conditions and clear rules of the game in our educational institutions, e.g. regarding the wearing of mouth and nose protection masks and spacing, as well as a testing strategy already started in autumn 2020, have allowed the operationally important further training to be conducted as well as the training for the required junior staff. Our focus in 2021 is on digital skills, practical orientation and proactive communication.

Personnel Development

Personnel Development is responsible for the entire product portfolio for the further training of our managers, experts and employees. Our various programs and educational offers focus on the development of personal and social skills on the one hand and on the development of professional skills on the other.

While the majority of the offers were handled in classic face-to-face trainings until recently, due to the situation in recent months, Personnel Development has consistently started to adapt the entire portfolio for online handling as well, in order to be able to react flexibly to the respective needs in the future.

For example, e-learning on the topic of infra:bildungsleitbild was designed and rolled out for the pedagogical staff (specialist trainers, apprentice trainers and specialist experts in training) in order to support them in their important role as knowledge and value multipliers in the company.

Various workshops, trainings and courses were also converted to digital media, such as the round table held in May as part of the "infra:karriere" program. In June and September, the "apprentice trainer course online" was held very successfully for the first time, with 14 and 12 participants respectively.

Generational management continued with the existing pools of junior staff and the "Fit4Future" and "infra:karriere" programs.

In 2020, ÖBB akademie offered 130 INFRA employees the opportunity to participate in its courses for managers and experts.

The Group-wide "trainees for mobility" program, which is aimed at university graduates with technical or business training, enabled 7 of the 13 trainees to be taken on by the subgroup in October 2020.

Employer Branding, Personnel Marketing and Recruiting

Generational change is not a topic of the future, ÖBB-Infrastruktur is already in the midst of it. By 2024, around 7,000 new employees will be taken on. It is the task of all company representatives to inspire them for the company and subsequently to win them over. Everyone, from managers to individual employees, is a brand ambassador and makes an invaluable contribution to the long-term success of the company through their commitment in their daily work and the way they talk about the company. ÖBB-Infrastruktur AG recruits in many different target groups with a wide range of education and experience levels. Skilled craftsmen are just as much in demand as HTL technicians and technicians with academic degrees. The focus this year was particularly on technical positions and to a lesser extent on commercial positions.

ÖBB-Infrastruktur AG is to take over responsibility for the Group's entire apprentice recruitment in the medium term. A working group has been set up to address this topic.

The goal of strategic employer branding is to ensure that the company have the right employees for tomorrow. This is why the cooperation with various educational institutions that has been established in recent years is constantly being strengthened and new cooperations are being established. By implementing appropriate programs and measures, relationships with potential future employees are built up in good time and over the longer term in order to interest them in the company long before they complete their education. In this regard, personal contact and recurring exchanges are particularly important. Personal contact on site was only possible to a limited extent or often not at all due to corona. A number of recruitment marketing events have therefore been converted to online formats to ensure that contact is established and maintained with prospective new colleagues.

In addition to the joint measures that are handled within the Group, there is a strong focus on all those target groups that are not served by the Group but are of great importance for safeguarding the core business of the ÖBB-Infrastruktur Group.

In 2020, a cooperation program with a technical college was conceived and the various cooperations with HTLs and technical universities outside Vienna were further intensified. At the same time, job videos were produced to give applicants a good insight into their future field of work.

As in previous years, care was taken to ensure that planned compulsory internships were not cancelled but could still be completed. Diploma students had the opportunity to complete their diploma thesis within the framework of a fixed-term employment contract. As a result, we were once again able to inspire academics to gain extensive work experience in addition to writing their thesis. The programs "infra:building" at the HTL Ortweinschule in Graz and "infra:exploring" at the HTL Mödling continued to run successfully. In addition, the new personnel marketing program "infra:mentoring" was developed in cooperation with the FH Campus Wien and launched for future civil engineers.

Giving young people the chance to complete a sound apprenticeship training in our company and to gain a foothold in the company after successful completion is a major concern of the management. The business unit "Railway Training Centre & Apprenticeship" is the first point of contact for all those young people who would like to complete an apprenticeship in the fields of "commercial apprenticeships" or "transport and technology-oriented railway apprenticeships".

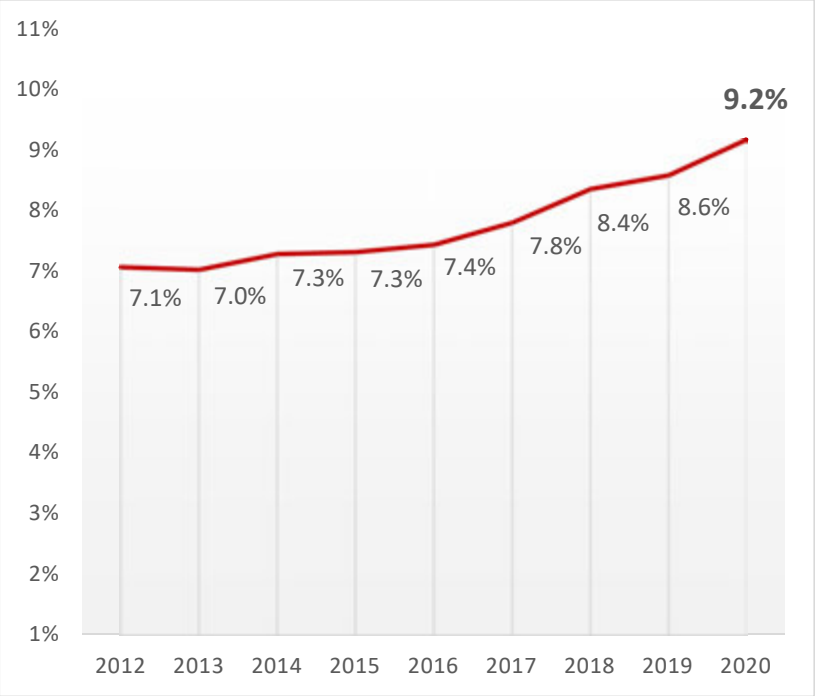
Diversity and Equality

ÖBB-Infrastruktur AG is committed to a corporate culture of anti-discrimination, equal opportunities, diversity and respectful encounters and cooperation. Diversity in the company, lived by men, women, diverse people, older and younger employees, employees with or without disabilities and from many parts of the world, is evidence of a modern corporate culture. Since 2011, an equal opportunities policy has regulated equal opportunities for employees in the ÖBB Group. In 2015, the Board of Management of ÖBB-Infrastruktur AG signed the "Diversity Charter", an initiative of the Austrian Federal Economic Chamber.

Diversity makes the difference

While ÖBB-Holding sets the strategic diversity goals in the "Diversity Charter 2023" and monitors the achievement of the goals in regular controlling, it is the responsibility of the ÖBB-Infrastruktur Group to realise the diversity goals with the help of programs, projects and measures. The focus of the "Diversity Charter 2023" is to continuously increase the proportion of women. The proportion of women in the ÖBB-Infrastruktur Group is 9.2% (py: 8.6%). By 2023, the proportion of women is to be increased to 10.5%. The " Program for Employees with Disabilities" includes measures for barrier-free workplaces, especially at office locations. Targeted diversity management allows innovative strength, customer competence and employer attractiveness to be increased.

Increase in the proportion of women since 2012



Diverse measures

A number of measures have already been taken to increase the proportion of women, such as the use of female technical apprentices as role models in external communication, the "infra:WOMENtoring" with Graz University of Technology, places for women in training programs at the ÖBB akademie, coaching offers for women, workshops on gender and diversity management and the Equal Treatment Act. The priority program to "increase the proportion of women train dispatchers" to 20% is listed as best practice by the CER and ETF European initiative "Women in Rail". Events such as the "Girls!Tech Camp" (together with IBM) or participation in the "Daughters' Days" were not held due to the protective measures taken during the corona pandemic.

The ÖBB-Infrastruktur Group supports a better reconciliation of work and care obligations, for example, through the company kindergarten "Timi's Mini MINTs" with a focus on science and technology, hourly childcare with the help of Flying Nannies, the "RailMap*Karenzmanagement" as well as flexitime arrangements, part-time models and home office workplaces.

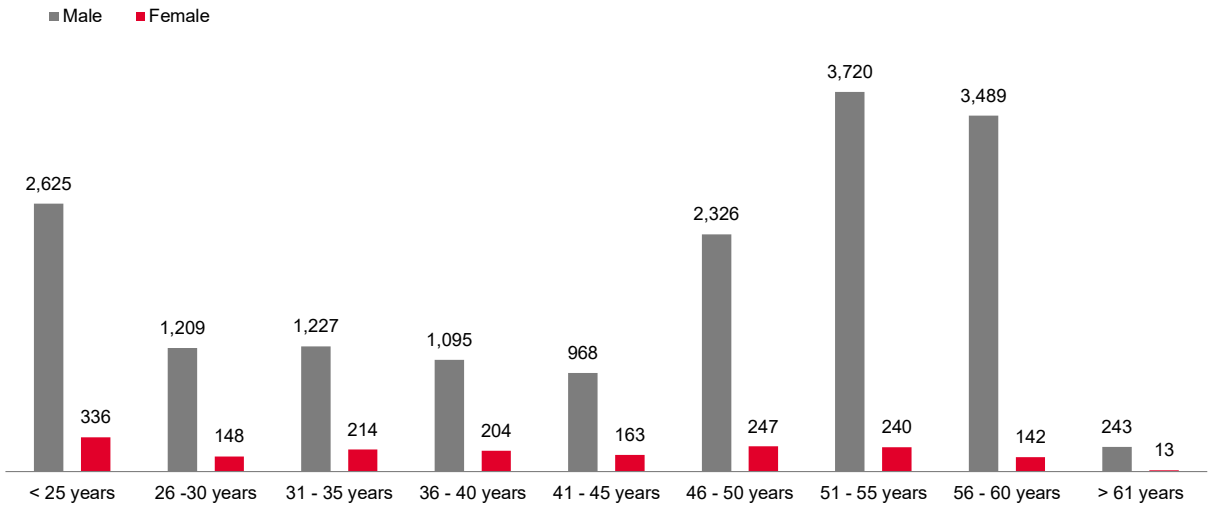
In addition to the training project "Diversity as an Opportunity" for young refugees, the focus in the cooperation with the AMS is also on female young people with asylum status. ÖBB-Infrastruktur AG, together with AMS Vienna, developed a process for AMS-supported German courses that AMS customers with a lack of German language skills and an interest in shunting attend before they start their training. The offer of AMS German courses is aimed in particular at persons entitled to asylum and beneficiaries of subsidiary protection. Training for managers and staff on "Working in and with multicultural teams" is intended to sharpen understanding and sensitivity in multicultural cooperation. ÖBB-Infrastruktur also supports pupils with a migration background every year as part of the "START" scholarships. Interculturality plays an increasingly important role.

Women's Career Index

In 2020, the Women's Career Index™ (FKi) and thus a structured management process for sustainable quality assurance as an attractive employer for women was implemented for the first time in the ÖBB-Infrastruktur Group as part of the "Increase Diversity" project. The Women's Career Index is a fact-based, independent, internationally recognised benchmark and management tool that enables women's careers and readiness for change in companies to be assessed. Individual measures are not considered in isolation, but interrelationships and impact mechanisms that support the advancement of women and promote diversity in the ÖBB-Infrastruktur Group are assessed. The FKi participation includes more than 200 companies from eleven countries. Application of the FKi thus enables the ÖBB-Infrastruktur Group to incorporate the topics of "New Leadership", "Diversity" and "Transformation" into key figures. It is not only the comparison with the around 200 companies from all sectors that is relevant for the ÖBB-Infrastruktur Group, which has a strong technical-craft orientation. More than anything else, it's about your own annual progress: The ÖBB-Infrastruktur Group scored only slightly below average in the first FKi survey. The goal is to reach the upper FKi midfield in the medium term. A project group with representatives from the various corporate divisions has developed targeted measures to increase career opportunities for women and improve the compatibility of work and family life for men and women alike. The Women's Career Index is to be surveyed annually.

The following shows the ratio between male and female employees per age group:

	< 25 years	26 -30 years	31 - 35 years	36 - 40 years	41 - 45 years	46 - 50 years	51 - 55 years	56 - 60 years	> 61 years	Total	%
Percentage of women	11.3%	10.9%	14.9%	15.7%	14.4%	9.6%	6.1%	3.9%	5.1%	9.2%	
Male	2,625	1,209	1,227	1,095	968	2,326	3,720	3,489	243	16,902	90.8
Female	336	148	214	204	163	247	240	142	13	1,707	9.2
	2,961	**1,357**	**1,441**	**1,299**	**1,131**	**2,573**	**3,960**	**3,631**	**256**	**18,609**	**100.0**



Diversity Report

The ÖBB-Infrastruktur Group informs about facts and figures regarding the diversity dimensions age, gender, disability and nationalities in a semi-annual diversity report.

The average age in the ÖBB-Infrastruktur Group, taking into account apprentices and apprentices with a retention period, is 43.7 years (py: 43.9 years).

The proportion of women among the shareholder representatives on the Supervisory Board of ÖBB-Infrastruktur AG is 50% as in the previous year, on the Board of Management at one third. This means that the diversity targets of at least 30% women on the Supervisory Board have been achieved. At ÖBB-Immobilienmanagement GmbH, 50% (py: 33%) of the shareholder representatives on the Supervisory Board are women, at Mungos GmbH also 50% (py: 33%). The proportion of women in management in the ÖBB-Infrastruktur Group is 9.5% (py: 7.9%), in the workforce 9.2% (py: 8.6%).

The average age in Austria (not including apprentices) was around 45.9 (py: around 43.9) years. All members of the Board of Directors (100%) are older than 50 years of age. The Supervisory Board has 89% of its members older than 50 years of age, and 11% of its members between 30 and 50 years of age.

The proportion of people with disabilities in the ÖBB-Infrastruktur Group is 2.7%, as in the previous year. In 2020, 866 employees (py: 773) had non-Austrian citizenship, which corresponds to 4.7% of all employees.

Equal opportunity officers

The ÖBB Group has ten regional equal opportunity officers who provide advice and support to their colleagues if discrimination is suspected. Five of these ten equal opportunities officers come from the ÖBB-Infrastruktur sub-group. The aim is to ensure equal treatment regardless of gender, age, ethnicity, sexual orientation or disability. A gender equality committee supports the work of the regional equal opportunity officers and ensures their continual qualification.

Health management

The ÖBB-Infrastruktur Group's corporate health management has the task of supporting employees in maintaining and promoting their work capability and their health. In doing so, it contributes to improving working conditions, strengthening employees' personal resources and reducing stress.

The strategic orientation and group-wide measures and offers of occupational health management are developed and coordinated with ÖBB-Holding AG and the other ÖBB subgroups.

The company takes numerous health-promoting measures to achieve this objective. In particular, awareness and individual commitment to the employees' own health are promoted.

Every employee in the ÖBB-Infrastruktur Group has the opportunity to take advantage of health promotion measures, which generally take place in their free time. The offers are communicated via the broad multiplier network, the intranet, the staff newspaper, screens, notices and via the managers.

Personal health data of the employees is not collected and therefore not recorded. There is no interface with the service providers for the voluntary health promotion program (e.g. Wellcon or BVAEB-Josefhof) to exchange such data. Data protection regulations (DSGVO) are strictly observed at TK ÖBB-Infrastruktur.

Occupational healthcare

Occupational medical and occupational psychological care has been provided by our partner Wellcon (Gesellschaft für Prävention and Arbeitsmedizin GmbH) for many years. The consultations cover both physical and psychological stress and strain topics. The occupational physicians work closely with the company's own safety specialists and together they check compliance with the safety and health regulations during regular inspections. In the course of reporting, deviations and suggestions for improvement are documented and implemented by the responsible persons. Interdisciplinary work also includes, for example, participation in questions concerning work equipment, work processes, construction measures, furnishing and equipping with personal protective equipment.

Wellcon, in cooperation with the BVAEB, offers an occupational health examination (BOGU) for all interested employees. The BOGU is a preventive medical check-up that focuses on occupational stress and identifies personal health risks by means of supplementary questionnaires.

Services and measures for health promotion in the workplace

Corona-related topics meant that much of the service needed to be modified. In particular, activities involving large gatherings of people could not take place or could only take place to a reduced extent. The "Healthy and Fit" project with the Austria-wide Health Streets on the main topics of exercise, nutrition and mental health as well as a cancer prevention focus could only be implemented at one location. The health promotion weeks at Josefhof were ultimately suspended during the lockdown and were then implemented in compliance with the corona guidelines (reduced number of participants). As an alternative to the exercise events, participation in the Lower Austrian Women's Run was on offer as a virtual running event as well as the Group-wide exercise event "Walk4Fun". Digital fitness courses for employees were offered on the Group-wide intranet.

Two vital coach training courses were held at the beginning of the year and coordination took place at the quarterly network forum in order to expand the Austria-wide multiplier network (consisting of health coaches - internal contact persons for the business unit / staff, health circle facilitators for regional working groups and vital coaches - department-specific contact persons for ergonomics, nutrition and mental health).

An interdisciplinary activity evaluation with a focus on ergonomics and sports science aspects was performed in particularly exposed areas of the track and facility management division in order to improve working conditions and reduce stress. This was undertaken using the scientifically recognised leading indicators method ("Leitmerkmalmethode"). The findings were used to derive measures to prevent sick leave, such as workshops for employees, training materials, content for updates by vital coaches or the use of technical aids (such as exoskeletons).

The corporate health management team has developed and agreed on COVID-19-related rules of conduct for the TC in the interdisciplinary team of the task force "Infra gegen Corona" to support health promotion. A group-wide working team on "Digital, Healthy and Social Working" developed instructions for working in a home office on the topics of ergonomics (workplace design), nutrition, exercise and mental health and made them available on the Group intranet.

In the long term, active health management aims to achieve positive effects on the average sick leave of employees. The managers at TK have paid special attention to the application of the health management toolbox in order to achieve this goal. Business units, staffs and subsidiaries worked together to identify five best practice examples for the successful implementation of the wide range of measures and offers in the toolbox, with the support of the corporate health management team. In addition, as a result of COVID-19, numerous other measures have been taken to avert the risk of infection, especially with regard to social distancing and hygiene. New forms of work (home office, digital meetings, etc.) and short-time work in the first half of the year were accelerated. The sum of these measures led to a general decrease in sick days in the ÖBB-Infrastruktur Group in 2020 compared to the previous year.

The topic of "health as a management task" is complemented by management seminars such as "healthy leadership and addiction prevention", which raise awareness that managers have a significant influence on the health of their employees.

At the end of 2019, the roll-out of the "Business Reintegration" (BWE) in the ÖBB Group is 100% complete and is available to all employees of TK ÖBB-Infrastruktur who are at risk of losing their work capability or have already done so. The BWE is based on a clearly structured process involving various experts, which is based on voluntary participation and individual responsibility of the employees. It was a challenge to offer the product to the full extent due to the social distance requirements. Where possible, staff support was provided through digital means of communication (e.g. online meetings).

The internal offer for managers and employees of the "Consulting on Work Capability" provides support for psychosocial topics. It also serves as an interface to relevant bodies (internal and external).

COVID-19 related measures

The challenges posed by the pandemic led to the implementation of numerous measures to protect staff and contain the spread of the virus. For this purpose, an internal "Corona traffic light" has been set up, which is coordinated with the national traffic light. Each traffic light colour is linked to specific targets in terms of attendance rates, reduction of participants at presence meetings, increased cleaning and visitor restrictions, etc. Where telework is possible without jeopardising the maintenance of railway operations, the "COVID-19 related" telework scheme has been introduced in order to avoid direct contact as much as possible. A lot of information and tips on the topics of "digital, healthy and social work" have been made available on the Group's intranet in order to offer support to employees in this extraordinary situation. Regular information is also available on the intranet on rules of conduct, hygiene recommendations and news on the page "INFRA.gegenCorona".

Work and age

The working time models created together with the employee representatives, which are intended to enable older employees to remain healthy and productive in working life for longer, are used by the employees of all group companies if the prerequisites are met and a corresponding agreement is reached with the employer.

As of the reporting date 31.12.2020, 665 employees (application submitted) were taking advantage of the legal option of partial retirement pursuant to § 27 of the AlVG (Austrian Unemployment Insurance Act). In addition, 401 tenured AVB employees (based on request submissions) were already provided with age-appropriate part-time work four years or up to six years before they met the requirements for statutory semi-retirement.

Employee Attitude Survey

The staff survey planned for June 2020 was not conducted due to the corona crisis. A possible alternative date will be determined in consultation with the entire Group and the Group executive management.

G.5. Human rights

The business activities of ÖBB-Infrastruktur AG are geographically limited for the most part to Austria and the EU area as well as Liechtenstein and Switzerland. Compliance with the EU Declaration of Human Rights is therefore a prerequisite.

The training of security and customer information staff at Mungos Sicher & Sauber GmbH & Co KG places particular emphasis on the topics of "customer orientation", "de-escalation", "legal basics" - including "human rights". A comprehensive training program has been developed for this purpose, which is significantly above the industry average: The employees are already taught the legal basics in the "basic safety training" on the one hand, and the topic of "customer orientation" in a basic training on the other hand. Safety-oriented scenario training" is used to deepen these competences and also focuses on the topic of "prevention (risk assessment, self-protection and protection of others)".

The module "De-escalation and self-protection", which is held by the Security Academy in the course of our close cooperation with the Federal Ministry of the Interior, places special emphasis on the topic of "human dignity" - negative examples are also dealt with and patterns of perception are breached.

G.6. Investment and procurement practices

The Austrian Federal Procurement Act is relevant to procurement, which includes the principles of equal treatment of all bidders and fair competition. The objective is to award a contract for a service to an authorised, reliable and efficient contractor at a reasonable price.

To this end, a suitability test of the companies to be considered for the award of the contract is performed for each award procedure. In addition to the examination of the authority and technical as well as economic capacity, this examination also includes an examination within the framework of reliability with regard to wage and social dumping. In addition, enquiries are conducted in accordance with the Labour Contract Law Adjustment Act and the Employment of Foreign Nationals Act.

Companies are excluded from participation in the award procedure if this examination reveals that the company has committed serious misconduct in its professional activities, in particular against provisions of labour, social or environmental law.

Contractors are also excluded from participation in the award procedure if ÖBB-Infrastruktur AG is aware of a final conviction of the company relating to one of the offences listed below. This also applies - if the entrepreneur is not a natural person - to persons who are members of administrative, management or supervisory bodies or who have powers of representation, decision-making or control in such bodies:
- Membership of a criminal association or organisation (§§ 278 and 278a StGB (German Criminal Code)
- Terrorist organisation, terrorist offences or terrorist financing (§§ 278b to 278d StGB)
- Corruptibility, acceptance of advantage, bribery, granting of advantage or prohibited intervention (§§ 304 to 309 StGB and § 10 UWG), fraud (§§ 146 to 148 StGB), embezzlement (§ 153 StGB), acceptance of gifts (§ 153a StGB)
- Misuse of financial support (153b StGB)
- Money laundering (§ 165 StGB)
- Slavery, trafficking in human beings or cross-border trafficking in prostitution (§§ 104, 104a and 217 StGB)
- A corresponding criminal offence under the regulations of the country in which the trader is domiciled

Ecological criteria are applied in procurement in the award criteria as well as in the performance specifications, especially in the technical specifications and the definition of execution conditions. If consideration is given by means of award criteria, the award of the corresponding contract shall be made to the technically and economically most advantageous tender (best bidder principle). In the tender documents, all award criteria (e.g. quality, price, technical value, aesthetics, practicality, environmental characteristics, operating costs, profitability, after-sales service and technical assistance, delivery date and delivery/performance period), the use of which is envisaged, are indicated in proportion to the importance attributed to them (weighting of award criteria). The aim of procurement based on the best bidder principle is for the client to derive the greatest possible economic benefit from the procurement and to keep the costs for the client as low as possible. Examples of ecological award criteria are transport distances (distances), resource consumption, environmentally harmful ingredients, emissions in the production process, degree of recyclability or reusability of the product or parts of the product, maintenance and disposal costs, etc.

In the course of the performance specification, the ecological requirements for products and services are already included in the planning phase of a project when defining the subject of the contract. The earlier environmental aspects are taken into account in the procurement process, the sooner they are implemented. Particular attention is paid to the ecological selection of building materials. This is done in cooperation with experts to assess pollutant analyses, market supply and life cycle assessment results. Furthermore, it is important to ensure that the effect of the regulations is not to give certain companies a competitive advantage from the outset. The specifications need to be generally accessible.

Sustainable procurement is also considered within this framework. Essentially, this is done in the definition of the subject matter of the contract in such a way that the choice of system and selection of building materials also takes into account, in particular, subsequent maintenance costs and service life. A criterion for the evaluation of the "LifeCycleCosts" of bridge structures was developed for this purpose within the framework of the award criteria, and in the case of alternative offers, effects on the "LifeCycleCosts" are also taken into account within the criterion framework.

The procurement process is an essential element of the risk analysis, and as such, controls and related tests have been incorporated in the internal control system (ICS). The most important element here is the implementation of the award procedure in compliance with the dual control principle for the essential decisions and procedural steps as a general optimisation and control instrument. In practical terms, this means that each award is accompanied by at least two staff members in the capacity of a control and steering element. As a group-wide requirement, this is to be undertaken within the framework of the lead buyer principle (lead buyer is the responsible purchaser of the corresponding commodity group). This means that all procurements with an estimated contract value of more than KEUR 50 are to be effected through the respective lead buyer company. This excludes call-offs of master agreements concluded by a lead buyer company. The efficacy of this control is tested by monthly evaluations within the framework of the ICS and documented in the ICS system on a quarterly basis.

Another control within the framework of the internal control system is the use of the "ProVia" tender platform. This ensures both that the procurement process is handled in a standardised manner and that it is documented accordingly. In addition, process steps are in place via the tender platform that offer the highest possible level of security with regard to compliance. Examples include the data room and secret choice of bidder. Monthly evaluations are also conducted for this control as part of the ICS and documented in the ICS system on a quarterly basis.

Currently, checks and tests for
- the implementation of a procurement procedure by applying an exemption clause,
- the mandatory performance of an in-depth tender review in the event of a very high overrun of the contract value compared to the cost estimate under public procurement law, and
- the review of tender documents for construction contracts

assess three other risk areas as part of the internal control system.

G.7. Accessibility

Barrier-free and convenient access to trains and buses for people with disabilities, people with strollers, the elderly and passengers with luggage or bicycles is an important goal.

In practice, barrier-free traffic not only means transport facilities and means of transport that are accessible without steps, but also barrier-free communication. This also includes the design of information offers, guidance and orientation systems according to the two-senses principle. This means that at least two of the three senses (sight, hearing and touch) must always be addressed.

In 2006, ÖBB-Holding AG, together with those responsible for the sub-groups and experts, developed the stage plan in accordance with § 19 of the Federal Disability Equality Act (BGStG) for the ÖBB Group as a whole. The measures contained in the staged plan (2006 to 2015) were agreed with the organisations of people with disabilities.

At the beginning of 2016, the Group companies updated their plans and drew up new implementation plans for additional transport stations (stations and stops with passenger stops) and the vehicle fleet. These business plans correspond to the so-called National Implementation Plan (NIP) issued and published by the BMK for Austria according to TSI-PRM (Technical Specification for Interoperability relating to Accessibility of the Union Rail System for Persons with Disabilities and Persons with Reduced Mobility). In autumn 2018, the measures already implemented and further targets until 2027 were discussed with stakeholders from associations and representatives of parliament.

By the end of 2020, 84%[52] of all ÖBB passengers will already benefit from around 370 modern, barrier-free stations and stops. The offer of barrier-free mobility is being successively expanded and improved. In 2027, according to the implementation plan, more than 90% of passengers on the ÖBB-Infrastruktur AG network will be able to travel without barriers to accessibility.

More stations and stops are being designed to be barrier-free every year. More than 20 stations were comprehensively modernised or completely rebuilt in the 2020 reporting year. Examples include Abfaltersbach, Mittewald a. d. Drau, Sillian (all Tyrol), Finkenstein (Carinthia), Allerheiligen-Mürzhofen, Bad Mitterndorf, Bad Mitterndorf-Heilbrunn, Kapfenberg (all Styria), Braunau am Inn, St. Georgen a. d. Gusen Ort (both Upper Austria), Kirchberg am Wagram, Neulengbach Stadt, Oberweiden and St. Andrä-Wördern (all Lower Austria).

This process of modernising stations and stops will, of course, be consistently continued in 2021. ÖBB is particularly committed to the construction and expansion of Park & Ride facilities, including parking spaces for disabled persons in the vicinity of the access points, as well as the connection to local modes of transport (especially bus connections).

Also in 2020, direct exchange with people with disabilities and advocacy groups was actively pursued - increasingly via digital communication channels. Among the topics discussed and highlighted were products and innovations in information and signage as well as station equipment in the public area. These practical experiences are valuable suggestions for ÖBB-Infrastruktur AG to find even better solutions in the future. Every detail is important in this regard. Often it is small, additional assistance that leads to relief and relief for people with and without disabilities when using the railway.

ÖBB bases its implementation on the legal and technical regulations of the EU, in particular the TSI-PRM (Regulation [EU] No. 1300/2014), as well as on national specifications and standards, e.g. ÖNORM B 1600 (Barrier-free construction - planning principles).

G.8. Combating corruption and bribery

Compliance organisation in the ÖBB Group and the ÖBB-Infrastruktur Group

A compliance organisation has been established in the ÖBB Group in fulfilment of the organisational responsibility of the board members and managing directors, which works towards compliance with internal and external regulations.

In the ÖBB Group, the function of a "Chief Compliance Officer" is established as a separate staff office within the management of ÖBB-Holding AG. In addition, the sub-group parent companies (sub-group ÖBB-Infrastruktur AG, sub-group Rail Cargo Group, sub-group ÖBB-Personenverkehr AG) have appointed "Compliance Officers", who are also organisationally assigned to their own staff office within management.

[52] Calculated on the basis of the average daily passenger frequencies 2018 for the ÖBB-Infrastruktur AG network. These represent a coordinated strategic planning variable with corresponding planning stability.

The "Chief Compliance Officer" and the "Compliance Officers" in the subgroup parent companies are not subject to any instructions from the management in the performance of their duties. They undertake no other operational tasks at the same time in order to maintain their independence, in particular to avoid conflicts of interest.

The core competence of the compliance organisation is combating economic crime and corruption and minimising economic crime and corruption risks in the ÖBB Group.

Compliance management system in the ÖBB Group and the ÖBB-Infrastruktur Group

The compliance management system is based on international standards and is as follows:

Code of Conduct of the ÖBB Group

The Code of Conduct of the ÖBB Group describes the ethical principles and general principles on which the ÖBB Group bases its business activities and which constitute essential elements of its corporate culture. It applies to the board members, managing directors, executives and employees of the ÖBB Group.

The Code of Conduct of the ÖBB Group regulates the principles for relations with customers and business partners, public appearances and cooperation with each other. Key objectives of the Code of Conduct include strengthening ethical standards across the Group, creating a working environment that promotes integrity, respect and fair conduct, and conducting business in compliance with the law. ÖBB-Holding AG and the sub-group companies have voluntarily committed themselves to compliance with the Code of Conduct by means of a corresponding board resolution.

Prevention through compliance training and consulting

One of the core tasks of the compliance organisation of the ÖBB Group is to sensitise the employees of the ÖBB Group to compliance-relevant topics and guidelines on a long-term and sustainable basis.

Training and awareness-raising measures on compliance-relevant topics therefore take place in the ÖBB Group on a periodic basis or, if necessary, in a target group and risk-oriented manner.

Since 2018, the previous tasks have been supplemented by a compliance e-learning program. The awareness of the topic is subsequently increased. Another essential component of the prevention work is also the ongoing consulting of management and employees on compliance-relevant topics.

Early recognition

Recognising possible compliance dangers at an early stage is crucial in order to be able to counteract them adequately. In addition to the Group-wide "Fraud Management" project, this also includes conducting risk analyses and compliance audits. These measures serve the primary objectives of damage prevention and hazard control.

Reaction

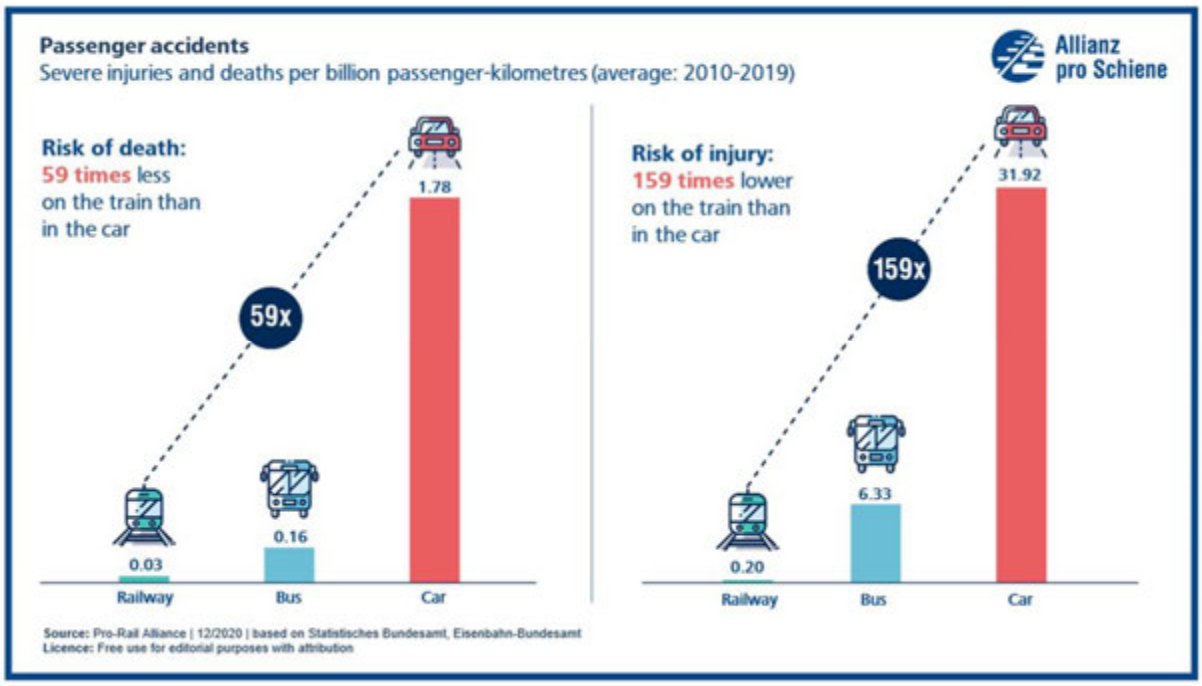
The compliance organisation, as the central point of contact for handling every referral, is obliged to follow up all leads. Informants are afforded special protection with regard to their personal data. The results of such investigations lead to recommendations regarding potential improvements as well as sanctions to be taken.

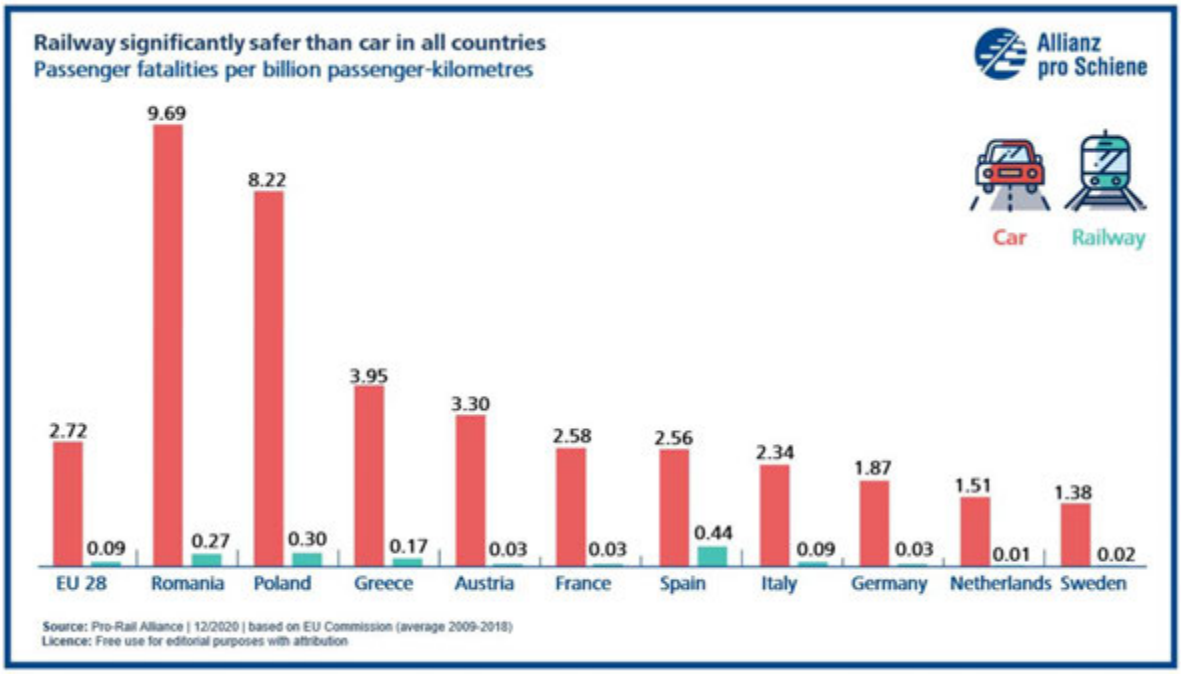
Anti-Corruption Unit

The anti-corruption unit, headed by the Chief Compliance Officer, is the central point of contact for questions, information and tips in connection with corruption in the ÖBB Group. All information that reaches the ÖBB Group's anti-corruption unit is treated in strict confidence and with the necessary care.

G.9. Safety

Safety is an essential quality feature for customers and employees. The trust of customers, employees and also the owner in ÖBB is further strengthened by a responsible approach to safety risks, thus making an important contribution to the company's success.





Safety is therefore always the top priority in all activities within the ÖBB Group. The certified safety management systems introduced in the sub-groups help manage the safety services provided. Findings from incidents, accident investigations, internal reviews (safety checks, audits, etc.) and trend monitoring feed into the safety programs. The safety management systems, trend monitoring and safety programs make a significant contribution to identifying safety risks in good time, proactively deriving measures and controlling residual risks. This is achieved by focusing on further expansion of technology and further development of the organisation, and by increasing awareness of people's behaviour and safety culture. The expansion of systematic learning from deviations, errors and "near misses" helps to identify risks in good time and to initiate countermeasures.

There is a transparent and comprehensible presentation of all safety-relevant developments based on key indicators. These are submitted annually to the National Safety Authority.

Annual investments of more than EUR 2.9 billion in new construction, expansion and maintenance of infrastructure facilities as well as in new vehicles with state-of-the-art train protection systems also support the guarantee of safe operations. Measures accompanying the safety strategy, such as the focus on measures with the greatest impact, as well as the expansion of the safety and error culture, form another significant contribution to the topic of safety.

Since 2017, the development of the ÖBB Group's safety performance has been recorded uniformly across all companies on the basis of a group-wide operational safety index. The index is composed of relevant operational incidents (e.g. train collisions, train derailments) as well as events that make an actual incident likely ("defects or accident precursors") and, as a reporting indicator, presents the Group's operational safety performance in Austria at a glance.

Furthermore, a significant focus is placed on the subjective perception of safety of the customers. The basis for this is regular observation of the parameters that influence the feeling of safety. It is possible to derive countermeasures in a targeted manner and at an early stage from the development of the individual parameters. These include, for example, structural measures for better lighting and more security personnel at the stations and on the trains.

Assaults on staff were the subject of a comprehensive package of measures in 2019, and were implemented in 2020. This concerns, for example, the reinforcement of service and control teams and the accompaniment of train conductors by security personnel on certain train connections in local traffic. Bodycams are also used by security personnel.

The level of safety on the ÖBB-Infrastruktur AG network has been continuously improved in recent years. The reasons for this are, firstly, the regular monitoring of ÖBB's safety performance by means of safety-relevant key figures for the early detection of any problem areas that may arise and, secondly, the rapid countermeasures taken when deviations are detected.

In the safety program, safety measures (e.g. retrofitting of clear track signalling systems or the retrofitting program intermittent traction control (PZB - Indusi magnets)) are defined and consistently implemented. These measures are the tool for maintaining the safety level, counteracting deviations and regularly improving safety performance.

Focal points from the safety program (exemplary):

Security at railway stations - Security programs

- Roll-out of bodycams in the operational area has been completed.
- One course "Safety-oriented scenario training" and three courses "De-escalation and self-protection" were completed.
- A program was started to minimise crowd formation and assaults. Location-specific packages of measures were drawn up for the stations Wr. Neustadt, Vienna Praterstern, Klagenfurt, Vienna FJB, Dornbirn, Graz Hbf., Salzburg Hbf., St. Pölten, Vienna West and Linz Hbf.

Safety culture

The safety culture includes measures to reinforce the safety awareness of employees and thus further increase safety performance. A safety culture is not a self-propelling process, instead it needs to be consistently embedded and reinforced by all those involved.

"Live Safety" is an additional value that has been created. It is intended to help ensure that safety is always the focus of all our activities. The steps towards a "safety culture" enable us to achieve the status of a learning organisation characterised by trust, fairness and transparency. The objective is to sustainably reduce incidents caused by human error.

The achievement of this goal required several coordinated steps and measures (e.g. consequence management or dealing with modern media).

Reduction of collision risk

The program to further expand track vacancy detection systems was continued. This significantly reduces the collision risk of train movements, which contributes to a considerable improvement in the level of safety.

Safe shunting

Steps have been taken to reduce shunting incidents due to an identified trend in shunting related incidents and accidents. It is intended to reverse the trend in shunting incidents.

Employee protection

It was possible to maintain the occupational safety of our employees at a high level. This shows that the support and consulting provided by the prevention experts as well as the measures taken in the field of employee protection are having the desired effect. The continuation of this positive trend requires that we continue to work together to increase safety and raise awareness among colleagues.

Fire prevention

Fire prevention officers (FPOs) were made available throughout the country, thus fulfilling all the tasks and activities of the FPOs as required by the authorities. The fire prevention officers (Safety and Quality Staff) have been upgraded to specialists in fire prevention concept development.

Operational regulations

Since 2017, every operational staff member has had access - automatically via the regulations database - to the regulations relevant to his or her work. The enormous advantage of this is that employees receive all the provisions relevant to their activities in one set of rules and do not have to sift through a wide variety of instructions, etc. The result is that employees are able to work in a more efficient manner. This significantly increases the clarity for the employee and reduces the complexity of the rules and regulations.

Retrofit program PZB (intermittent traction control) - Indusi magnets

The aim of the measure is to reduce the number of collisions following unauthorised signal crossings and as such contribute significantly to reducing the risk of collisions.

By the year 2023, around 1,000 additional 500 Hz magnets will be fitted on the ÖBB Infrastruktur AG network. The risk of collision will then be considerably reduced.

Safety Walk

Objectives of the safety walk are:
- Improving safety performance and culture
- Message from the management: Safety is essential
- Identify opportunities for improvement

The Safety Walks were suspended in the 2020 financial year due to corona.

Employee protection

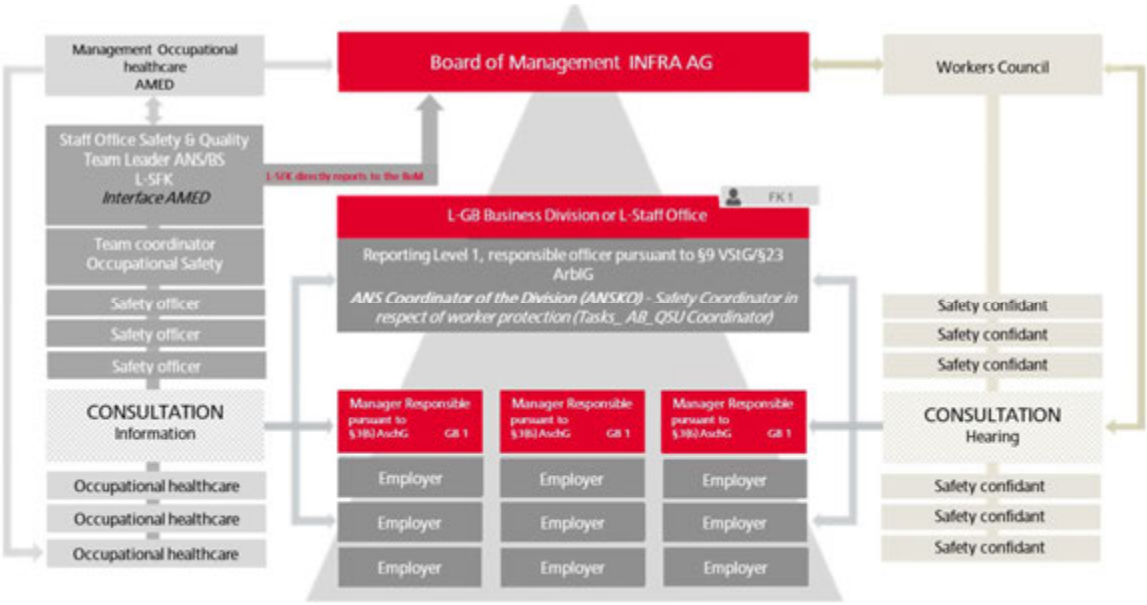
The employees are crucial for the success of ÖBB-Infrastruktur AG. The health and performance of our employees are therefore of particular importance to us. As an employer, we need to respond flexibly to changing lifestyles in addition to the already high demands placed on our employees. Worker protection and its ongoing development are therefore an essential basis for our daily activities. The employees are regularly informed about healthy measures and behaviour and their workplaces in the operational and administrative areas are ergonomically designed and evaluated. The focus is on the complete prevention of accidents and work-related illnesses as well as the long-term preservation of the individual's ability to work.

Management system

The occupational health and safety objectives are part of the integrated management system and are based on EN ISO 45001:2018. The system is regularly audited internally and externally and covers all employees, activities and workplaces. The annual audits review the specifications and requirements of the occupational safety and health management system and systematically collect and document deviations as well as potential sources of danger and risks. The Integrated Management System reviews the results of the audits internally and implements them through the management. The management reviews the objectives, quality and orientation as part of the annual management review.

Thematic anchoring

The topics of employee protection and fire protection are firmly anchored in the Safety and Quality staff unit. The following roles have been set up for this purpose in order to fulfil the legal and organisational tasks: the function of the senior safety officer, the senior fire protection officer as well as a team coordinator for occupational safety and a team coordinator for fire protection. The senior safety officer reports directly to the Board of Management and advises it on a wide range of topics and aspects of employee protection.



An occupational health and safety organisation is in place at all sites in accordance with legal requirements, staffed by representatives of the employer, safety experts as well as occupational physicians, safety confidants, works council members, first aiders, fire protection officers, fire wardens and persons for fire fighting and evacuation. Mutual information on occupational health and safety concerns and the coordination of company occupational health and safety facilities is ensured through the Central Occupational Health and Safety Committee and the local occupational health and safety committees. Measures to improve safety, health protection and working conditions are also discussed within this framework. All employees have the opportunity to contribute suggestions for ongoing improvements within the framework of idea management, as the participation and involvement of employees is crucial when it comes to generating ideas and suggestions around the topic of occupational safety.

Furthermore, the function of an employee protection coordinator has been established in each business unit, who promotes employee protection topics, ensures the implementation of ANS specifications and the documentation of the contents of the employee protection system. Similarly, there is participation in audits and management evaluations as well as representation of the business unit in employee protection matters.

Internal communication is ensured within the framework of the institutionalised quarterly employee protection platform. It acts as a centre of competence and clearing house for ÖBB-Infrastruktur AG in matters of employee protection, issues substantiated directives in matters of employee protection law and acts as an interface between the Board of Management and the organisational divisions. The management of the employee protection platform is the responsibility of the chief safety officer (L-SFK).

Employee protection is integrated into the ÖBB safety strategy at the level of the ÖBB Group via the expert committee on occupational safety and the safety platform.

Hazard identification, risk assessment and incident investigation

The preparation and observance of risk assessments for all areas is the basis of efficient prevention work for avoiding occupational accidents, damaging events or work-related health hazards. These are continuously checked for topicality and expanded as needed, such as for the analysis of work-related mental stress. All employees have the opportunity to participate in the quantitative survey and then to participate in the qualitative analysis in small groups. Appropriate countermeasures are initiated by managers on the basis of the results if relevant work-related mental stress is identified.

The use of appropriate work equipment and personal protective equipment as well as the design of safe framework conditions are also important preventive measures. Audits, training, instructions and inspections of all workplaces are conducted regularly to identify hazards and assess risks.

In the case of occupational accidents, the § 3/6 person in charge conducts a post-accident evaluation in cooperation with the prevention experts and with the involvement of the works council or the safety representative and other experts. The results of the analysis of the new risk and opportunity evaluation are used as a basis for adapting the safety and health protection documents if necessary and also for communication in the ANS platform for the purpose of deriving comprehensive measures.

Key aspect: Accident prevention measures

Good prevention culture means that occupational safety and health is systematically integrated into the processes and structures of the company. Our positive safety culture is part of a wider corporate culture. It is based on values and standards of conduct, is shaped by awareness, attitudes and beliefs, and becomes evident as a result of actions and decisions taken.

Our concepts and tools for the further development of ÖBB's safety culture include:
- Setting an example, being attentive, working according to the rules
- Watching out for each other and addressing unsafe actions
- Learning from mistakes and recognising and eliminating causes

A number of tools and methods were developed and integrated into a number of standard processes in 2019/2020 to support managers and staff in living safety on a daily basis.

Tools / methods for the further development of the safety culture

The following tools / methods for the further development of the safety culture were newly introduced or expanded in 2020:
- Proactive dialogue on safety via performance boards
- Conducting safety walks
- Fault classification system
- Cause identification system
- Methodology for discontinuing in-house customary practices
- Safety interaction cards

Living safety

Living safety has been anchored in the standard processes since 2020:
- Living safety in the Team Target Dialogue (TZD) process
- Living safety in the employee appraisal interview
- ÖBB Award (Safety Role Model of the Year)
- Living Safety - campaign
- Safety briefings
- Safety as a TOP in meetings

Another ambitious goal has been set for 2019 in order to achieve a reduction in accidents and to further strengthen our safety culture: the reduction of the "ASVG occupational accident rate". This is to be reduced by 33% by 2024.

A program of measures specifically tailored to the areas and hazards to prevent occupational accidents was developed and integrated into the safety action plan of ÖBB-Infrastruktur AG in order to achieve the objectives. The security action plan describes the strategic security fields of action with their security measures and the expected effects. A regular report on the current status and timetable is provided by the managers responsible for implementation within the framework of the steering committee.

The ASVG occupational accident rate is calculated from the number of all reported occupational accidents resulting in at least 4 days of absence, per 1000 employees. Commuting accidents are not included.

Employee training on occupational safety

Training and education as well as practical exercises or practical use are essential in the area of worker protection in order to visualise weak points or potential hazards. It is the only means of achieving a change in attitude and thus a longer-term change in behaviour.

The topic of "occupational safety" is a fixed component of many training courses (e.g. train dispatchers, shunting, safety guards, safety supervisors) within the scope of railway-specific training organised by the Railway and Apprenticeship Training Centre. In the courses, our in-house safety experts act as lecturers to address railway-specific basics and point out specific hazards.

The basic training for § 3/6 persons pursuant to the ASchG is a compulsory internal training. The task of the § 3(6) person is to ensure the implementation of and compliance with the necessary protective measures according to the ASchG in his or her area of responsibility and to report deviations in order to bring about their elimination or to arrange for their elimination himself or herself. The objective of the basic training is to provide participants with an overview of the legal basis as well as their tasks and activities. A refresher course is required every 3 to 5 years depending on the type of hazard (e.g. shunting, construction work in the hazardous area of the tracks every 3 years).

Our own safety experts also act as lecturers at the courses for training as a safety officer (basic and refresher course), which are organised by the BVAEB, in order to go into the railway-relevant basics and to point out hazards.

The courses "SIG 1 Safety in the Track Area" and "SIG 2 Behaviour in the Danger Area of Tracks / Traction Power Installations" serve as basic training for both employees and external persons / contractors to obtain permission to enter non-public railway installations. The objective is to provide a basic operational and electro-technical understanding to persons who work in or near the hazardous area of the tracks in order to perform non-operational activities. The purpose of this is to ensure, through the correct behaviour, that safety is guaranteed when staying and carrying out work operations in the danger zone of tracks and when carrying out work operations in the area of traction current installations.

Avoidance and mitigation of occupational health and safety impacts directly related to business relationships

We are extremely concerned that all external companies working for ÖBB-Infrastruktur AG also work as safely as possible. For example, clear regulations apply to contractors with the objective of reducing security risks from business relationships to a minimum even before they begin.

Construction sites harbour high accident risks. For this reason, occupational health and safety measures still require the full attention of the client and the companies carrying out the work. The comprehensive protection and prevention measures for the protection of workers are anchored in the regulations specifically applicable to the railways. These include the Railway Workers' Protection Ordinance (EisbAV), which is a summary regulation of the workers' protection provisions for the hazardous area of the tracks, in addition to the general workers' protection provisions. Furthermore, the Written Operational Instructions on Worker Protection (RW 90.01) - ÖBB 40 and the Organisation of Railway Construction Sites - Organisation of Construction Work in the Area of Tracks, DB 601.02 (DA 30.04.15).

The planning coordinator is required to draw up a safety and health protection plan (SiGe-Plan) for construction work pursuant to DB 601.02, in which the necessary safety measures are specified relating to the approach of rail-bound vehicles, the hazards of the electric current and for journeys in connection with the construction work. The measures for the protection of railway operations and other collective protection measures are also to be included to this end.

The measures required for planned construction work that results in restrictions to the infrastructure facilities are to be specified in the operating and construction instructions. The same applies to fault repairs that cause restrictions to the infrastructure facilities; here, too, the measures required for this are to be specified in the “Rapid Repair” operating instruction. The SiGe plan forms the basis for determining the necessary measures of the operating and construction instructions or for the "rapid repair".

Company-specific functions for the protection of workers in the danger zone of the tracks, such as the supervisory body of the railway operator or the safety supervision, is always to be performed by employees of ÖBB-Infrastruktur AG during all work assignments.

Access to non-public railway facilities is also prohibited as a matter of principle. Employees of external companies and their subcontractors who work in or near the danger zone of the tracks in order to carry out non-operational activities must first complete a successful training course pursuant to SIG 1 and SIG 2 and possess the appropriate permit card. In the same respect, the medical condition of the employees pursuant to ÖBB 32 - Guidelines on the Medical Condition of Employees in Railway Operations and Environs is required. ÖBB Guideline 32 regulates the procedure and content of safety-relevant medical suitability examinations in railway operations and ensures the safety of actions and legal certainty.

G.10. GRI Index of Contents

The following GRI index lists the standard disclosures, material topics and at least one associated indicator reported by ÖBB-Infrastruktur AG in accordance with the "In Compliance: Core" option chosen by ÖBB-Infrastruktur AG. Reference to the relevant section of the group management report makes it easier for readers to find the information.

GRI Standard	Title of disclosure	Reference or page references	Notes, Reasons Omissions
BASIS			
GRI 101: Basis 2016			
GENERAL DISCLOSURES			
Organisation profile			
GRI 102: General disclosures 2016	**102-1:** Name of the organisation	Chapter **A** p. **2**	
	102-2: Activities, brands, products and services	Chapter **A** p. 2	
	102-3: Location of headquarters	Chapter **A** p. 2	
	102-4: Company locations	Chapter **A** p. 2 and **5**	
	102-5: Ownership and legal form	Chapter **A** p. **2** - **6**	
	102-6: Markets served	Chapter **B.3** p. **13**, and **G.4** p. **64**	
	102-7: Scale of the organisation	Chapter **A** p. **2 f.**, **C.1** p. **14 ff.**, **C.2** p. **16 ff.** and **C.3** p. **18**	
	102-8: Information on employees and other workers	Chapter **G.4** p. **67 ff.**	
	102-9: Supply chain	Chapter **G.6** p. **76 f.**	
	102-10: Significant changes in the organisation and its supply chain		There are no changes in this area.

	102-11: Precautionary approach or principle	Chapter **A** p. 2, **C.5** p. **30** and **G.3** p. **54**	
	102-12: External initiatives	Chapter **B.2** p. **12**, **C.4** p. **24** and **C.6** p. **31 f.**	
	102-13: Membership in associations and interest groups	Chapter **G.4** p. **65**	
Strategy			
GRI 102: General disclosures 2016	**102-14:** Statement by the senior decision-maker	Chapter **G.1** p. **48**	
	102-15: Key effects, risks and opportunities	Chapter **F** p. **43**	
Ethics and integrity			
GRI 102: General disclosures 2016	**102-16:** Values, principles, standards and norms of conduct	Chapter **G.8** p. **78 f.**	
Company management			
GRI 102: General disclosures 2016	**102-18:** Management structure	Chapter **G.2** p. **51**	
Stakeholder engagement			
GRI 102: General disclosures 2016	**102-40:** List of stakeholder groups	Chapter **G.4** p. **64**	
	102-41: Tariff agreements	Chapter **G.4** p. **67**	
	102-42: Identification and selection of stakeholders	Chapter **G.2** p. **52** and **G.4** p. **64**	
	102-43: Approach to stakeholder engagement	Chapter **G.2** p. **52** and **G.4** p. **64 f.**, p. **76**	
	102-44: Key topics and concerns raised	Chapter **G.2** p. **52** and **G.4** p. **64 f.**, p. **76**	
Reporting procedure			
GRI 102: General disclosures 2016	**102-45:** Entities included in the consolidated financial statements	Consolidated Financial Statements Note 35	The scope of consolidation of the non-financial statement corresponds to that of the consolidated financial statements of ÖBB-Infrastruktur AG.
	102-46: Procedure for determining the content of the report and the delineation of topics	Chapter **G.2** p. **52**	
	102-47: List of material topics	Chapter **G.2** p. **52**	Presented as a materiality matrix with a materiality threshold

	102-48: Restatement of information		In the current report, the following change in reporting occurred: • the inclusion of fuel and heating oil consumption in total energy consumption and total emissions in Chapter **G.3** p. **57** and **59**. • Inclusion of an ESG risk analysis in Chapter **F** p. **43**.
	102-49: Change in the reporting procedure		There have been no significant changes in the list of main topics and in the delineation of topics compared to previous reporting periods.
	102-50: Reporting period	Chapter **G.2** p. **51**	
	102-51: Date of the last report		Publication date: 17.04.2020
	102-52: Reporting cycle	Chapter **G.2** p. **51**	Annually
	102-53: Contact for questions on the report		infra.kundenservice@oebb.at
	102-54: Declaration on reporting in accordance with the GRI standards	Chapter **G.2** p. **51**	Core Option
	102-55: GRI Index of Contents	Chapter **G.10** p. **87**	
	102-56: External testing	Consolidated financial statements - independent audit report	The non-financial statement was subjected to an independent external audit by Ernst & Young Wirtschafts-prüfungsgesellschaft m.b.H.
KEY TOPICS OF GREATER SIGNIFICANCE			
GRI 200: Economic topics			
Key topic: **Sustainable Procurement**			
GRI 103: Management approach 2016	**103-1:** Explanation of the main topics and their delineations	Chapter **G.6** p. **76 f.**	
	103-2: The management approach and its components	Chapter **G.3** p. **57** and **G.6** p. **76 f.**	

	103-3: Evaluation of the management approach		Performed as part of the annual management review on the results of the individual management systems Chapter A p. 2 and specialist strategies by the Management Board.
GRI 301: Materials 2016	**301-1:** Materials used by weight or volume	Chapter **G.3** p. **62**	
GRI 407: Freedom of association and collective bargaining 2016	**407-1:** Operations and suppliers where the right to freedom of association and collective bargaining may be threatened		These rights are not endangered in ÖBB-Infrastruktur AG's sphere of activity.
GRI 408: Child labour 2016	**408-1:** Operations and suppliers with significant risk of incidents of child labour		There are no risks of this nature in ÖBB-Infrastruktur AG's field of activity.
GRI 409: Forced or compulsory labour 2016	**409-1:** Operations and suppliers with significant risk for incidents of forced or compulsory labour		There are no risks of this nature in ÖBB-Infrastruktur AG's field of activity.
Key topic: **Innovation**			
GRI 103: Management approach 2016	**103-1:** Explanation of the main topics and their delineations	Chapter **C.4** p. **24**, **C.5** p. **30**, and **D** p. **35**	
	103-2: The management approach and its components	Chapter **C.4** p. **24**, **C.5** p. **30**, and **D** p. **35 ff.**	
	103-3: Evaluation of the management approach		Performed as part of the annual management review on the results of the individual management systems Chapter A p. 2 and specialist strategies by the Management Board.
Key topic: **Networked mobility services**			
GRI 103: Management approach 2016	**103-1:** Explanation of the main topics and their delineations	Chapter **B.2** p.**11**, **B.3** p. **13** and **C.5** p. **26 ff.**	
	103-2: The management approach and its components	Chapter **B.2** p.**11**, **B.3** p. **13** and **C.5** p. **26 ff.**	

	103-3: Evaluation of the management approach		Performed as part of the annual management review on the results of the individual management systems Chapter **A** p. 2 and specialist strategies by the Management Board.
GRI 203: Indirect economic evaluations 2016	**203-1:** Infrastructure investments and subsidised services	Chapter **C.4** p. **21 ff.**, p. **25** and **G.1** p. **48 f.**	
	203-2: Significant indirect economic effects	Chapter **G.1** p. **48**	
Key topic: **Sustainable financing**			
GRI 103: Management approach 2016	**103-1:** Explanation of the main topics and their delineations	Chapter **C.5** p. **28** and **C.6** p. **32**	
	103-2: The management approach and its components	Chapter **C.5** p. **28** and **C.6** p. **32**	
	103-3: Evaluation of the management approach		Performed as part of the annual management review on the results of the individual management systems Chapter A p. 2 and specialist strategies by the Management Board.
GRI 201: Economic performance 2016	**201-1:** Direct economic value generated and distributed	Chapter **C.1** p. **15** and **C.2** p. **17**	
	201-2: Financial implications of climate change for the organisation and other climate change related risks and opportunities	Chapter **G.3** p. **54 ff.**	The financial consequences or costs caused by climate change are not currently compiled.
	201-4: Financial support from the public sector	Consolidated Financial Statements Note 32	
GRI 206: Anti-competitive behaviour 2016	**206-1:** Legal proceedings based on anti-competitive behaviour, cartel and monopoly formation		There were no significant lawsuits, sanctions or fines against ÖBB-Infrastruktur AG in 2020 that were caused by violations of laws or regulations in the economic area.

Key topic: **Providing for the future and for the public**			
GRI 103: Management approach 2016	**103-1:** Explanation of the main topics and their delineations	Chapter **C.6** p. **32**, **G.1** p. **50** and **G.7** p. **78**	
	103-2: The management approach and its components	Chapter **C.6** p. **32**, **G.1** p. **50** and **G.7** p. **78**	
	103-3: Evaluation of the management approach		Performed as part of the annual management review on the results of the individual management systems Chapter **A** p. 2 and specialist strategies by the Management Board.
Key topic: **Combating corruption and bribery**			
GRI 103: Management approach 2016	**103-1:** Explanation of the main topics and their delineations	Chapter **F** p. **40** and **G.8** p. **78 ff.**	
	103-2: The management approach and its components	Chapter **F** p. **40** and **G.8** p. **78 ff.**	
	103-3: Evaluation of the management approach		Performed as part of the annual management review on the results of the individual management systems Chapter **A** p. 2 and specialist strategies by the Management Board.
GRI 205: Combating corruption 2016	**205-1:** Operations audited for corruption risks		The compliance audits conducted throughout the Group are recorded in the annual compliance activity report and are not published for reasons of confidentiality.
GRI 415: Political influence 2016	**415-1:** Party donations		ÖBB supports no political parties, and donations to political parties are not permitted.
GRI 300: Ecological topics			
Key topic: **Climate protection and emissions**			
GRI 103: Management approach 2016	**103-1:** Explanation of the main topics and their delineations	Chapter **B.2** p. **12**, **C.5** p. **30**, **C.6** p. **33**, **G.1** p. **49** and **G.3** p. **54**, p. **57 ff.**	

	103-2: The management approach and its components	Chapter **B.2** p. **12**, **C.5** p. **30**, **C.6** p. **33**, **G.1** p. **49** and **G.3** p. **54**, p. **57 ff.**	
	103-3: Evaluation of the management approach		Performed as part of the annual management review on the results of the individual management systems Chapter **A** p. 2 and specialist strategies by the Management Board.
GRI 305: Emissions 2016	**305-1:** Direct GHG emissions (Scope 1)	Chapter **G.3** p. **59**	
	305-2: Indirect energy-related GHG emissions (Scope 2)	Chapter **G.3** p. **59**	
Key topic: **Energy mix and energy efficiency**			
GRI 103: Management approach 2016	**103-1:** Explanation of the main topics and their delineations	Chapter **C.5** p. **30**, **C.6** p. **33** and **G.3** p. **57**	
	103-2: The management approach and its components	Chapter **C.5** p. **30**, **C.6** p. **33** and **G.3** p. **57**	
	103-3: Evaluation of the management approach		Performed as part of the annual management review on the results of the individual management systems Chapter **A** p. 2 and specialist strategies by the Management Board.
GRI 302: Energy 2016	**302-1:** Energy consumption within the organisation	Chapter **G.2** p. **53** and **G.3** p. **57**, **59**	
	302-4: Reduction of energy consumption	Chapter **G.3** p. **57**	
Key topic: **Biodiversity & Species Diversity**			
GRI 103: Management approach 2016	**103-1:** Explanation of the main topics and their delineations	Chapter **G.1** p. **49** and G.3 p. **59 ff.**	
	103-2: The management approach and its components	Chapter **G.1** p. **49** and G.3 p. **59 ff.**	

	103-3: Evaluation of the management approach		Performed as part of the annual management review on the results of the individual management systems Chapter **A** p. 2 and specialist strategies by the Management Board.
GRI 304: Biodiversity 2016	**304-1:** Owned, leased or managed farm sites located in or adjacent to protected areas and areas of high biodiversity value outside protected areas	Chapter **G.3** p. **60**	
	304-2: Significant impacts by activities, products and services on biodiversity	Chapter **G.3** p. **54**, **59 ff.**	
	304-3: Protected or restored habitats	Chapter **G.3** p. **60**	
	304-4: World Conservation Union (IUCN) Red List species and nationally listed protected species that have their habitat in areas affected by business activities	Chapter **G.3** p. **59**	
Key topic: **Land usage**			
GRI 103: Management approach 2016	**103-1:** Explanation of the main topics and their delineations	Chapter **G.3** p. **59**	
	103-2: The management approach and its components	Chapter **G.3** p. **59**	
	103-3: Evaluation of the management approach		Performed as part of the annual management review on the results of the individual management systems Chapter **A** p. 2 and specialist strategies by the Management Board.
	Land use balance of ÖBB-Infrastruktur AG	Chapter **G.3** p. **59**	
Key topic: **Noise reduction**			
GRI 103: Management approach 2016	**103-1:** Explanation of the main topics and their delineations	Chapter **G.3** p. **61**	
	103-2: The management approach and its components	Chapter **G.3** p. **61**	

	103-3: Evaluation of the management approach		Performed as part of the annual management review on the results of the individual management systems Chapter **A** p. 2 and specialist strategies by the Management Board.
Key topic: **Waste (separation, reuse, recycling)**			
GRI 103: Management approach 2016	**103-1:** Explanation of the main topics and their delineations	Chapter **G.3** p. **62**	
	103-2: The management approach and its components	Chapter **G.3** p. **62**	
	103-3: Evaluation of the management approach		Performed as part of the annual management review on the results of the individual management systems Chapter **A** p. 2 and specialist strategies by the Management Board.
GRI 306: Waste water and waste 2016	**306-2:** Waste by type and disposal method	Chapter **G.3** p. **63**	The quantities of waste disposed of or recycled in 2020 were not yet fully available at the time of reporting. No saline water discharge is practised in the course of ÖBB-Infrastruktur AG's business activities. The temporary storage of material at the site is also not currently compiled.
	306-3: Significant leakage of harmful substances	Chapter **G.3** p. **63**	
GRI 400: Social topics			
Key topic: **Quality**			
GRI 103: Management approach 2016	**103-1:** Explanation of the main topics and their delineations	Chapter **A** p. 2	
	103-2: The management approach and its components	Chapter **A** p. 2	

	103-3: Evaluation of the management approach		Performed as part of the annual management review on the results of the individual management systems Chapter **A** p. 2 and specialist strategies by the Management Board.
	Management systems	Chapter **A** p. 2	
Key topic: **Occupational health and safety, security and IT security**			
GRI 103: Management approach 2016	**103-1:** Explanation of the main topics and their delineations	Chapter **A** p. **4**, **F** p. **41**, **G.4** p. **65**, p. **74 f.**, and **G.9** p. **80 ff.**, p. **83 ff.**	
	103-2: The management approach and its components	Chapter **A** p. **4**, **F** p. **41**, **G.4** p. **65**, p. **74 f.**, and **G.9** p. **80 ff.**, p. **83 ff.**	
	103-3: Evaluation of the management approach		Performed as part of the annual management review on the results of the individual management systems Chapter **A** p. 2 and specialist strategies by the Management Board.
GRI 403: Occupational health and safety 2018	**403-1:** Management system for occupational health and safety	Chapter **G.9** p. **83**	
	403-2: Hazard identification, risk assessment and incident investigation	Chapter **G.9** p. **85**	
	403-3: Occupational healthcare services	Chapter **G.4** p. **74**	
	403-4: Employee participation, consultation and communication on occupational health and safety	Chapter **G.9** p. **83**	
	403-5: Employee training on occupational health and safety protection	Chapter **G.9** p. **86**	
	403-6: Promoting the health of employees	Chapter **G.4** p. **75**	
	403-7: Avoidance and mitigation of occupational health and safety impacts directly related to business relationships	Chapter **G.4** p. **76** and **G.9** p. **86**	
	403-8: Employees covered by an occupational health and safety management system	Chapter **G.9** p. **83**	

GRI 416: Customer health and safety 2016	**416-1:** Assessment of the health and safety impacts of different categories of products and services		100% of the product and service categories are covered by a management system.
GRI 418: Protection of customer data 2016	**418-1:** Substantiated complaints regarding the violation of the protection and loss of client data		ÖBB-Infrastruktur AG is not aware of any complaints from customers in connection with the violation of customer data protection at the time of preparing this non-financial statement.
Key topic: **Training and further development (incl. apprenticeship training)**			
GRI 103: Management approach 2016	**103-1:** Explanation of the main topics and their delineations	Chapter **G.1** p. **50** and **G.4** p. **69 ff.**	
	103-2: The management approach and its components	Chapter **G.1** p. **50** and **G.4** p. **69 ff.**	
	103-3: Evaluation of the management approach		This is done as part of the annual management review of the results of the individual management systems, Chapter A p. 2 and specialist strategies by the Management Board.
GRI 404: Training and further development 2016	**404-2:** Employee skills enhancement and transition assistance programs	Chapter **G.4** p. **69 ff.**, p. **75**	
Key topic: **Attractive employer, working conditions and employee satisfaction, Generation management, awareness raising for employees**			
GRI 103: Management approach 2016	**103-1:** Explanation of the main topics and their delineations	Chapter **C.5** p. **29**, **G.1** p. **50** and **G.4** p. **70 f.**, p. **76**	
	103-2: The management approach and its components	Chapter **C.5** p. **29**, **G.1** p. **50** and **G.4** p. **70 f.**, p. **76**	
	103-3: Evaluation of the management approach		Performed as part of the annual management review on the results of the individual management systems Chapter **A** p. 2 and specialist strategies by the Management Board.
GRI 411: Rights of indigenous peoples 2016	**411-1:** Incidents where the rights of indigenous peoples were violated		No indigenous rights are affected or violated in ÖBB-Infrastruktur AG's field of activity.

Key topic: **Diversity and equality of opportunity.**			
GRI 103: Management approach 2016	**103-1:** Explanation of the main topics and their delineations	Chapter **G.4** p. **71 ff.**	
	103-2: The management approach and its components	Chapter **G.4** p. **71 ff.**	
	103-3: Evaluation of the management approach		Performed as part of the annual management review on the results of the individual management systems Chapter **A** p. 2 and specialist strategies by the Management Board.
GRI 405: Diversity and equality of opportunity 2016	**405-1:** Diversity in supervisory bodies and among employees	Chapter **G.4** p. **71 ff.**	
	405-2: Ratio of women's to men's basic salary and remuneration		An income report is prepared every two years in the first quarter of the following year pursuant to the Equal Treatment Act. Detailed information is not published for reasons of confidentiality.
GRI 406: Non-discrimination 2016	**406-1:** Incidents of discrimination and remedial action taken		There was one incident of discrimination at ÖBB-Infrastruktur AG in 2020, although the court proceedings have been concluded and the incident is therefore no longer the subject of a complaint.
Key topic: **Perception of human rights**			
GRI 103: Management approach 2016	**103-1:** Explanation of the main topics and their delineations	Chapter **G.5** p. **76** and **G.6** p. **76 f.**	
	103-2: The management approach and its components	Chapter **G.5** p. **76** and **G.6** p. **76 f.**	
	103-3: Evaluation of the management approach		Performed as part of the annual management review on the results of the individual management systems Chapter **A** p. 2 and specialist strategies by the Management Board.

GRI 410: Security practices 2016	**410-1:** Security personnel trained in human rights policies and procedures	Chapter **G.5** p. **76**	
GRI 412: Human rights compliance audit 2016	**412-1:** Operations where a human rights due diligence or human rights impact assessment has been conducted	Chapter **G.5** p. **76**	
ADDITIONAL TOPICS			
GRI 300: Ecological topics			
Water and waste water			
GRI 303: Water and waste water 2018	**303-1:** Water as a shared resource	Chapter **G.3** p. **61**	
	303-2: Dealing with the effects of water recirculation	Chapter **G.3** p. **61**	
	303-5: Water consumption	Chapter **G.3** p. **61**	
Environmental compliance			
GRI 307: Environmental compliance 2016	**307-1:** Non-compliance with environmental laws and regulations		There were no significant lawsuits, sanctions or fines against ÖBB-Infrastruktur AG in 2020 that were caused by violations of laws or regulations in the environmental area.
GRI 400: Social topics			
Local communities			
GRI 413: Local communities 2016	**413-1:** Operational facilities with local community involvement, impact assessments and support programs		Based on the legal requirement associated with the approval of the construction and operation of the facilities, this point is guaranteed.
Marketing and labelling			
GRI 417: Marketing and labelling 2016	**417-1:** Requirements for product and service information and labelling		At the time of preparing this non-financial statement, ÖBB-Infrastruktur AG is not aware of any indications of non-conformities in this area.

	417-2: Infringements related to product and service information and labelling		At the time of preparing this non-financial statement, ÖBB-Infrastruktur AG is not aware of any indications of non-conformities in this area.
	417-3: Infringements related to marketing and communication		At the time of preparing this non-financial statement, ÖBB-Infrastruktur AG is not aware of any indications of non-conformities in this area.
Socio-economic compliance			
GRI 419: Socio-economic compliance 2016	**419-1:** Non-compliance with laws and regulations in the social and economic sphere		There were no significant lawsuits, sanctions or fines against ÖBB-Infrastruktur AG in 2020 that were caused by violations of laws or regulations in the social or economic area.

H. Notes on the Group Management Report

This Management Report contains statements and forecasts referring to the future development of the ÖBB-Infrastruktur Group and the economic environment in which it operates. Any and all forecasts were made based on the information available at the time of compilation. Actual developments may therefore differ from the expectations described in the Management Report.

Vienna, dated 22.03.2021

The Board of Management

Mag.ª Silvia Angelo	Dipl.-Ing. Franz Bauer	Dipl.-Ing. Dr. Johann Pluy
(Finance, Market, Service Division)	(Infrastructure Facilities Provision Division)	(Operations and Systems Division)

Glossary

ADR	European Agreement concerning the International Carriage of Dangerous Goods by Road
AVB	General terms and conditions for employment with Austrian Federal Railways
Bf.	Railway station
BFS	Operational Management Strategy
billion	billion(s)
BMK	Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology
BVAEB	Insurance institution for public service employees, railway and mining
BZELW	Railway Education Centre and Apprenticeship Training
CER	Community of European Railway and Infrastructure Companies
CO_2	Carbon dioxide
CORE	Core option
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortisation
EBT	Earnings before tax
EIA	Environmental impact assessment
EMAS	European Environmental Management and Audit Scheme
ETCS	European Train Control System
EUR	Euros
GDP	Gross domestic product
RU	Railway operator
R&D	Research and Development
GRI	Global Reporting Initiative
GWh	Gigawatt hour
Hbf	Central Station
HR	Human Resources
IFRS	International Financial Reporting Standards
ICS	Internal Control System
ISO	International Organisation for Standardisation
KEUR	EUR thousand
km	Kilometre(s)
km^2	Square kilometre(s)
m	Meter(s)
million	Million(s)
NFI	Non-financial information
py	previous year
REG	Regulation
RID	Regulations for the international transport of dangerous goods by rail
RPL	Master plan
SIL	Safety Integrity Level
SMS	Safety management system
t	Tonnes
TGTkm	Total gross ton-kilometers
tkm	Train kilometres
Traction	Propulsion of trains by traction vehicles
USD	United States Dollar

Declaration pursuant to § 124 (1) Stock Exchange Act

Declaration of all legal representatives

We confirm to the best of our knowledge that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as required by the applicable accounting standards and that the Group management report gives a true and fair view of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties the Group faces.

We confirm to the best of our knowledge that the parent company financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the company as required by the applicable accounting standards and that the management report gives a true and fair view of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties the company faces.

Vienna, dated 22.03.2021

The Board of Management

Mag.ª Silvia Angelo	Dipl.-Ing. Franz Bauer	Dipl.-Ing. Dr. Johann Pluy
(Finance, Market, Service Division)	(Infrastructure Facilities Provision Division)	(Operations and Systems Division)

Consolidated Financial Statements

Consolidated Income Statement 2020

	Note	2020 in TEUR	2019 in TEUR
Revenue	4	899,386.4	1,023,502.8
Change in finished goods, work in progress and services not yet chargeable		777.0	858.9
Other own work capitalized	5	324,914.5	312,323.4
Other operating income	6	2,103,947.6	2,043,479.2
Total income		**3,329,025.6**	**3,380,164.3**
Cost of materials and purchased services	7	-438,999.7	-429,725.7
Personnel expenses	8	-1,228,479.7	-1,217,389.9
Depreciation and amortization	9	-840,459.5	-810,791.2
Other operating expenses	10	-319,249.2	-346,076.0
Impairment charges from trade receivables	20	-11,086.8	-955.5
Earnings before interest and taxes (EBIT excluding investments recorded at equity)		**490,750.6**	**575,226.0**
Earnings of investments recorded at equity	17	1,059.2	1,708.4
Interest income	11	10,431.4	13,175.3
Interest expenses	11	-489,688.1	-540,462.4
Other financial income	12	9,165.1	5,195.5
Other financial expenses	12	-11,536.0	-16,516.2
Financial result (incl. earnings of investments recorded at equity)		**-480,568.3**	**-536,899.4**
Earnings before income taxes (EBT)		**10,182.3**	**38,326.6**
Income taxes	13	7,191.8	-5,329.3
Net income		**17,374.1**	**32,997.3**
Proportion of net income attributable to:			
shareholder of the parent company		16,919.4	32,719.3
non-controlling interests		454.7	278.0

Consolidated Statement of Comprehensive Income 2020

	Note	2020 in TEUR	2019 in TEUR
Net income		**17,374.1**	**32,997.3**
Remeasurement gains (losses) on defined benefit plans		-1,542.5	-4,332.1
Income taxes		7.3	42.0
Items that will never be reclassified ("recycled") subsequently to the income statement		**-1,535.2**	**-4,290.1**
Unrealized income from cash flow hedges	24	7,055.9	-34,699.7
Reclassification of realized income from cash flow hedges	24	-1,452.0	-4,667.0
Income taxes		-1,401.0	9,517.1
Items that are or may be reclassified ("recycled") subsequently to the income statement		**4,202.9**	**-29,849.6**
Other comprehensive income		2,667.7	-34,139.7
Comprehensive income		**20,041.8**	**-1,142.5**
Proportion of comprehensive income attributable to:			
shareholder of the parent company		19,587.1	-1,420.5
non-controlling interests		454.7	278.0

Consolidated balance sheet as of 31.12.2020

Assets	Note	Dec 31, 2020 in TEUR	Dec 31, 2019 in TEUR
Non-current assets			
Property, plant and equipment	14	24,893,072.7	23,575,517.7
Intangible assets	15	789,788.1	633,609.1
Investment property	16	166,185.2	168,971.9
Investments recorded at equity	17	53,125.8	49,981.5
Other financial assets	18	99,126.0	114,243.5
Other receivables and assets	20	102,675.2	128,209.4
Deferred tax assets	13	66,211.3	59,478.5
		26,170,184.2	**24,730,011.6**
Current assets			
Inventories	21	75,084.1	73,663.1
Trade receivables	20	186,735.4	202,364.6
Other receivables and assets	20	303,519.1	239,867.8
Other financial assets	18	30,980.6	21,720.6
Assets held for sale	19	110.3	139.1
Cash and cash equivalents	22	50,322.2	28,932.7
		646,751.7	**566,687.9**
		26,816,935.9	**25,296,699.5**

Shareholders' equity and liabilities	Note	Dec 31, 2020 in TEUR	Dec 31, 2019 in TEUR
Shareholders' equity			
Share capital	23	500,000.0	500,000.0
Additional paid-in capital	24	538,884.2	538,884.2
Cash flow hedge reserve	24	6,581.5	2,378.6
Remeasurement of defined benefit plans	24	-9,433.0	-7,897.7
Retained earnings	24	403,509.3	386,589.8
Equity attributable to the shareholder of the parent company		**1,439,542.0**	**1,419,954.9**
Equity attributable to non-controlling interests	23	650.7	474.0
		1,440,192.7	**1,420,428.9**
Non-current liabilities			
Financial liabilities	25	20,134,380.4	19,273,116.1
Provisions	26	262,851.2	263,624.5
Other liabilities	27	26,938.2	28,006.3
		20,424,169.8	**19,564,746.9**
Current liabilities			
Financial liabilities	25	2,652,880.7	2,283,714.5
Provisions	26	143,549.3	158,246.3
Trade payables	27	739,090.2	557,379.6
Other liabilities	27	1,410,653.2	1,312,183.3
Liabilities relating to the assets held for sale	19	6,400.0	0.0
		4,952,573.5	**4,311,523.7**
		26,816,935.9	**25,296,699.5**

Consolidated Statement of Cash Flow 2020

	Note	2020 in TEUR	2019 in TEUR
Earnings before income taxes (EBT)		10,182	38,327
Non-cash expenses and income			
+ Depreciation and amortization on property, plant and equipment, intangible assets and investment property	9	1,000,265	966,693
+ Depreciation/ - appreciation on non-current financial assets		247	0
- Amortization of investment grants	9	-159,805	-155,902
+ Losses / - gains on disposal of property, plant and equipment, intangible assets and investment property		-26,514	-14,734
- Other non-cash income / + other non-cash expenses		762	4,360
+ Interest expenses	11	489,688	540,462
- Interest income	11	-10,431	-13,175
Changes in assets and liabilities			
- Increase / + decrease in inventories	21	-1,421	-4,268
- Increase / + decrease in trade receivables and other assets		57,884	-8,712
+ Increase / - decrease in trade payables, other liabilities and deferrals		54,009	249,652
+ Increase / - decrease in provisions	26	-24,778	72,724
- Interest paid		-590,734	-651,085
+ Interest received		197	15,252
- Income tax paid	13	-2	-2
Cash flow from operating activities a)		**799,548**	**1,039,593**
+ Proceeds from disposal of property, plant and equipment and intangible assets		40,677	47,833
- Expenditures for property, plant and equipment and intangible assets	14, 15	-2,236,232	-2,082,479
- Expenditures for investments in financial assets		-2,193	0
+ Proceeds from investment grants	14, 15	152,996	141,422
+ Dividends received		5	1,451
Cash flow from investing activities b)		**-2,044,747**	**-1,891,773**
- Dividends distributed to non-controlling shareholders		-278	-249
+ Proceeds from issue of loans	25	15,000	120,000
- Redemption of loans		-1,507,000	-1,553,930
- Repayment of lease liabilities		-8,273	-8,919
+ Proceeds from other borrowings (from financing activities)		2,343,730	2,211,226
- Proceeds from other repayments (from financing activities)		-119,100	0
Cash flow from financing activities c)		**724,079**	**768,129**
Funds at the beginning of the period		-388,159	-304,108
Change in funds resulting from cash flows (a+b+c)		-521,120	-84,052
Funds at the end of the period		**-909,279**	**-388,159**

Please refer to Note 34 for details on the composition of the funds portfolio.

Consolidated Statement of Changes in Shareholders' Equity 2020

in TEUR	Share capital	Additional paid-in capital	Cash flow hedge reserve	Remeasurement of defined benefit plans	Retained earnings	Total equity	Equity attributable to non-controlling interests	Total shareholders' equity
As of Jan 01, 2019	*500,000.0*	*538,884.2*	*32,228.2*	*-3,607.6*	*359,088.0*	*1,426,592.8*	*444.5*	*1,427,037.3*
Adjustments following first time application of IFRS 16, net of income tax					-5,217.4	-5,217.4		-5,217.4
Adjusted status as of Jan 01, 2019	**500,000.0**	**538,884.2**	**32,228.2**	**-3,607.6**	**353,870.6**	**1,421,375.4**	**444.5**	**1,421,819.9**
Net income					32,719.3	32,719.3	278.0	32,997.3
Other comprehensive income			-29,849.6	-4,290.1		-34,139.7		-34,139.7
Comprehensive income			**-29,849.6**	**-4,290.1**	**32,719.3**	**-1,420.5**	**278.0**	**-1,142.5**
Dividends distributed to non-controlling shareholders							-248.5	-248.5
As of Dec 31, 2019	**500,000.0**	**538,884.2**	**2,378.6**	**-7,897.7**	**386,589.9**	**1,419,954.9**	**474.0**	**1,420,428.9**

in TEUR	Share capital	Additional paid-in capital	Cash flow hedge reserve	Remeasurement of defined benefit plans	Retained earnings	Total equity	Equity attributable to non-controlling interests	Total shareholders' equity
As of Jan 01, 2020	*500,000.0*	*538,884.2*	*2,378.6*	*-7,897.7*	*386,589.9*	*1,419,954.9*	*474.0*	*1,420,428.9*
Net income					16,919.4	16,919.4	454.7	17,374.1
Other comprehensive income			4,202.9	-1,535.2		2,667.7		2,667.7
Comprehensive income			**4,202.9**	**-1,535.2**	**16,919.4**	**19,587.1**	**454.7**	**20,041.8**
Dividends distributed to non-controlling shareholders							-278.0	-278.0
As of Dec 31, 2020	**500,000.0**	**538,884.2**	**6,581.5**	**-9,433.0**	**403,509.3**	**1,439,542.0**	**650.7**	**1,440,192.7**

Further details on the Statement of Changes in Shareholders' Equity can be found in Notes 23 and 24.

Notes to the Consolidated Financial Statements as of 31.12.2020

A. BASIS OF PREPARATION AND ACCOUNTING POLICIES

ÖBB-Infrastruktur Aktiengesellschaft (hereinafter ÖBB-Infrastruktur AG), with its registered office in Austria, 1020 Vienna, Praterstern 3, FN 71396 w, is a registered public limited company within the meaning of the Austrian Stock Corporation Act, whose shares are held by Österreichische Bundesbahnen Holding Aktiengesellschaft (hereinafter ÖBB-Holding AG). The shares of ÖBB-Holding AG are 100% reserved for the Austrian federal government.

ÖBB-Infrastruktur AG and its subsidiaries form the ÖBB-Infrastruktur AG Group (hereinafter ÖBB-Infrastruktur Group). The share capital is divided into 100,000 no-par value shares, unchanged from the previous year. The shares are registered shares and are issued in the name of ÖBB-Holding AG. The shares are not publicly traded. The sub-group has a group relationship with ÖBB-Holding AG and is part of its fully consolidated group. The consolidated financial statements of ÖBB-Holding AG are filed in the commercial register under FN 247642 f at the Vienna Commercial Court.

The task of ÖBB-Infrastruktur AG is in particular that of a railway infrastructure company, which plans, builds, maintains (maintenance, inspection, fault clearance, repair and reinvestment), provides and operates a demand-oriented and safe rail infrastructure (including high-performance lines). In addition, shunting services are also available.

The core activities of the ÖBB-Infrastruktur Group also include energy purchasing, energy supply and electricity portfolio management, as well as the leasing and development of real estate.

Pursuant to § 51 of the Federal Railways Act as amended, ÖBB-Infrastruktur AG is not required to hold a concession under the Railways Act 1957 for the construction or operation of main and branch lines. It is granted the rights and obligations of a railway undertaking for the planning and construction of new rail infrastructure projects.

The financing of the investments for the expansion of the rail infrastructure as well as the operation and maintenance are ensured through the self-generated cash flows, through borrowings as well as guarantees and financing from the federal government on the basis of multi-year framework plans or grant agreements. The management, development and utilisation of the ÖBB Group real estate is undertaken by ÖBB-Immobilienmanagement GmbH, a subsidiary of ÖBB-Infrastruktur AG. The construction of the Brenner Base Tunnel, all necessary structures, insofar as they are required for the construction work and the subsequent operation, as well as the provision of the facilities after completion for the network access beneficiaries in the operating phase is the task of Galleria di Base del Brennero - Brenner Base Tunnel BBT SE, a joint venture of the ÖBB-Infrastruktur Group.

1. Accounting principles

ÖBB-Infrastruktur AG is required to prepare consolidated financial statements in accordance with § 244 of the Austrian Commercial Code (UGB). The consolidated financial statements as of 31.12.2020 were prepared in accordance with § 245a (1) UGB in conjunction with the "IFRS Regulation" in accordance with the International Financial Reporting Standards ("IFRS") adopted by the International Accounting Standards Board ("IASB"), "IAS") and the interpretations of the International Financial Reporting Interpretation Committee ("IFRIC", "SIC") which were in force and adopted by the EU as of 31.12.2020, as well as the additional requirements of § 245a UGB. ÖBB-Infrastruktur AG presents these consolidated financial statements in accordance with IFRS as exempting consolidated financial statements in accordance with internationally recognised accounting principles pursuant to § 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 in EUR 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.

Disclosures on amended and new IFRS regulations

The following standards and interpretations were amended compared to the consolidated financial statements as of 31.12.2019 or their application became mandatory for the first time due to their adoption by the EU or due to their coming into effect.

Revised and amended standards/interpretations		Effective as of [1]	Impact on the Consolidated Financial Statements
IFRS 3	Definition of a business	Jan 01, 2020	no
IAS 1 and IAS 8	Definition of materiality	Jan 01, 2020	no
IFRS 9, IAS 39 and IFRS 7	IBOR-Reform (Phase 1)	Jan 01, 2020	no
Conceptional framework	References to the framework concept in the IFRS standards	Jan 01, 2020	no
IFRS 16	COVID-19 conditional rent concessions	June 01, 2020	no

[1] Applicable for financial years starting on or after the date indicated.

Outlook on future IFRS amendments

The following standards and interpretations were adopted 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.

Standards/interpretations		Effective as of [1]	Expected impact on the Consolidated Financial Statements
New standards and interpretations			
IFRS 17	Insurance Contracts	Jan 01, 2023 [2]	no
Amended standards and interpretations			
IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	IBOR-Reform (Phase 2)	Jan 01, 2021	yes
IFRS 3	Reference to the framework concept	Jan 01, 2022 [2]	no
IAS 16	Income before reaching operational readiness	Jan 01, 2022 [2]	no
IAS 37	Onerous contracts - Costs of fulfilling contracts	Jan 01, 2022 [2]	are being analysed
AIP 2018-2020	Annual Improvements Cycle 2018 - 2020	Jan 01, 2022 [2]	no
IAS 1	Classification of debt as current or non-current	Jan 01, 2023 [2]	no
IAS 1	Disclosures on accounting policies	Jan 01, 2023 [2]	no
IAS 8	Definition of accounting-related estimates	Jan 01, 2023 [2]	no

[1] Applicable for financial years starting on or after the date indicated.
[2] Not yet adopted by the EU.

The amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 are intended to mitigate the impact on financial reporting at the time an existing reference rate is replaced by an alternative rate. In particular, the amendments grant practical relief in relation to modifications required by the IBOR reform. In addition, hedging relationships should be able to continue under adjusted documentation despite a replacement of the reference interest rate.

None of the Group's current 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 diverse instruments and EURIBORs, which the Group implements 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. The latter have made it clear that they no longer seek to induce or force banks to submit IBORs from the end of 2021. In response to the announcements, 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.

There are no other standards that are not yet effective and expected to have a material impact on the ÖBB-Infrastruktur Group in the current or future reporting period and on foreseeable future transactions.

2. Consolidation principles and basis of consolidation

Consolidation principles

Reporting date

The reporting date for all fully consolidated companies included in the comprehensive 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.

Since all subsidiaries have the Euro as their functional currency, no currency translation from the inclusion of foreign operations was necessary in the preparation of the consolidated financial statements.

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 or 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.

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 disposition 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 of a subsidiary, it derecognises the assets and liabilities of the subsidiary and other equity components.

Accounting policies are applied consistently by all subsidiaries in the ÖBB-Infrastruktur 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 of the 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 stages, the acquirer's previously held 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 the income statement 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 measured at cost, being 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. For impairment testing purposes, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are 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.

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.

Interests in associated companies are included in the consolidated financial statements using the equity method unless they are classified as held for sale. Initial recognition is at acquisition cost. These are subsequently adjusted for changes in the ÖBB-Infrastruktur Group share of net assets after the acquisition date as well as 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-Infrastruktur 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-Infrastruktur 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 where 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.

Elimination of intercompany accounts

Receivables are offset with the corresponding liabilities and provisions between the subsidiaries included in the Consolidated Financial Statements in the course of the elimination of intercompany accounts.

Revenue and expense elimination

All intra-group expenses and revenues are eliminated in the course of the revenue and expense elimination. In the case of construction assets in the ÖBB-Infrastruktur Group, any related revenues are reclassified as own work capitalised, after taking into account the elimination of any intercompany profits or losses.

Unrealised profit elimination

Unrealised profits resulting from intra-group sales of assets or asset construction and from contribution of assets to subsidiaries were eliminated in the Consolidated Financial Statements.

Composition of and change in the basis of consolidation

In addition to ÖBB-Infrastruktur AG, the scope of consolidation includes 14 (py: 14) other fully consolidated and four (py: three) associated or joint ventures (of which one is foreign; py: one) accounted for using the equity method, making a total of 19 (py: 18) companies. The companies included in the consolidated financial statements are disclosed in Note 35.

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-Infrastruktur 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's values.

Basis of consolidation	Consolidated	At equity method of accounting	Total
As of Dec 31, 2018 = As of Dec 31, 2019	**15**	**3**	**18**
thereof foreign companies	*0*	*1*	*1*
Addition	0	1	1
As of Dec 31, 2020	**15**	**4**	**19**
thereof foreign companies	*0*	*1*	*1*

In the 2020 financial year, a subsidiary accounted for using the equity method was added due to the acquisition of 50% of the shares in LCA Logistik Center Austria Süd GmbH from Kärntner Beteiligungsverwaltung ("KBV"). This initial consolidation resulted in a difference of around EUR 0.1 million, which was reported under other operating expenses with negative effect on results. There were no changes in the basis of consolidation in 2019.

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 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.

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 depreciation and amortisation line item in the consolidated income statement. Leasehold improvements are also depreciated over the shorter of their estimated useful life or the term of the lease.

In the 2020 financial year, significant changes were made to the useful economic lives, which, however, remained within the following ranges. The useful lives are unchanged in the previous year and are as follows:

	Years
Buildings	
Substructure	20–150
Power plants	80
Tunnels	80 and 150 respectively
Railway tracks	100
Other substructures	20 and 80 respectively
Superstructure	10–50
Roadbed and track	35–40
Security and telecommunications equipment	5–30
Automobiles and trucks	5–25
Technical equipment and machinery	
High-voltage and lightning equipment	5–50
Tools and equipment	4–20
Machinery	9–15

See the following entitled "Leases" for information on the useful economic lifetimes of rights of use recognised in accordance with IFRS 16. 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 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)

Grants awarded to ÖBB-Infrastruktur Group (investment subsidies) are recognised in the balance sheet if there is certainty that the payment will be made and the necessary conditions for receiving the grants are fulfilled. The asset-oriented grants, primarily investment grants, are deducted directly from the subsidised 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.

Goodwill and other intangible assets

Goodwill or other intangible assets with an indefinite useful life are not currently recognised by the ÖBB-Infrastruktur Group.

Intangible assets with a definite useful life are recognised at acquisition cost, less amortisation on a straight-line basis.

Amortisation of intangible assets is calculated on a straight-line basis over the estimated useful life, and depreciation and is stated in the line item depreciation and amortisation in the Consolidated Income Statement.

Straight-line depreciation in the financial year 2020 is based on the following useful lives, unchanged from the py:

	Years
Investment grants	5–80
Concessions, property rights, licenses	4–20
Development costs	4
Software	2–15
Other intangible assets	5–20

Impairment of property, plant and equipment, intangible assets and as financial investments in property

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. 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 to sell

corresponds to the amount that can be obtained in an arm's length sales transaction. 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-Infrastruktur 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.

If changes in circumstances indicate that the carrying amount of an asset exceeds its recoverable amount, the value in use is calculated in the context of the impairment test. The value in use is determined by estimating the future cash flows of the cash-generating units based on the business plans that were derived from past results and the best estimates of the Board of Management of future developments. The growth rates assumed in the business plans (budget 2021 and medium-term planning 2022 to 2026) 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.

Should the recoverable amount of the cash-generating unit be in excess of its carrying amount, no impairment exists for the relevant cash-generating unit. If the recoverable amount of the cash-generating unit is less than its carrying amount, an impairment loss is recorded for this unit. The impairment is allocated proportionately to the assets of the cash-generating unit, although the assets of the cash-generating unit may not be written down 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.

No indicators of possible impairment were identified for either 2019 or 2020 for a cash-generating unit, which is why no impairment tests were conducted. No indicator of impairment currently exists for the rail infrastructure cash-generating unit due to the following preamble to the grant agreements pursuant to § 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 § 31 of the Federal Railways Act. The basis for the financing of the company is § 47 of the 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 § 42 (6) of the Federal Railways Act. The commitment regulated by the Federal Government in this provision is implemented specifically in the grant agreements pursuant to § 42 (1) and (2) of the 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 § 31 of the Federal Railways Act, which also complies with the legal mandate of the Federal Railways Act".

See Note 32 for more detailed information is provided in the chapter "Service relationships with the Federal Government, framework plan for infrastructure investments and the liability of the Federal Government".

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 balance sheet 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. See the previous paragraph regarding § 42 of the Federal Railways Act with regard to any impairment of the Galleria di Base del Brennero - Brenner Base Tunnel BBT SE.

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. There is no separate review of the pro rata goodwill. 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

Non-current assets held for sale and non-current liabilities held for sale are measured at the lower of carrying amount and fair value less cost to sell. Assets classified as held for sale are not subject to further depreciation and are shown as a separate item in the balance sheet. 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. 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.

Inventories

Inventories include, in the first instance, stocks of materials and spare parts used mainly for the company's own rail network expansion, the maintenance and fault clearance of rail network operations and, in the second instance, items for disposal.

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 based on the estimated selling price in the ordinary course of business, less estimated costs to complete and for sale still to be incurred. Internally produced inventories and refurbished reusable materials are capitalised at production cost. Appropriate value adjustments 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 ("properties for disposal"). These are former station and railway facilities as well as service buildings that were used for permanent operations. These refer to significant projects that are being developed on a large scale. These property disposals are held for sale in the ordinary course of business or are in the process of production or development for sale.

The property disposals 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.

Financial instruments

Recognition and de-recognition

Financial assets and liabilities are recognised when the ÖBB Group becomes a party to the contractual provisions of the 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 when it has been extinguished, i.e., when the contractual obligation has been settled or cancelled or has expired. 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 valuation 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-Infrastruktur Group, no further explanation is required.

Debt instruments measured at amortised cost
A debt instrument is measured at amortised cost if both of the 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 of the 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-Infrastruktur Group recognizes cash on hand, cash in banks with remaining terms of up to three months and credit balances at affiliated company ÖBB-Finanzierungsservice GmbH which controls the liquidity between the different companies in the ÖBB-Holding Group as liquidity 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 less the current liabilities towards ÖBB-Finanzierungsservice GmbH represent the funds for the Statement of Cash Flow.

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-Infrastruktur Group does not hold any debt instruments that are accounted for at fair value through profit or loss other than derivatives.

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 of the 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. Hedge Accounting is applied in the ÖBB-Infrastruktur Group. See Note 29.3 on hedge accounting.

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.

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 of the 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 levels of impairment. The amount of the impairment loss is measured in accordance with the allocation of the financial instrument to one of these three levels. The general impairment model is applied to all financial instruments with the exception of trade receivables.

Level 1: expected credit losses within the next twelve months
Level 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 have been past due for more than 30 days.

Level 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 Level 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 Level 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 of the 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 balance sheet 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 depreciated if realisability is no longer expected after an appropriate estimation. 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 levels and allocates these in all cases to level 1. ÖBB-Infrastruktur Group considers this to be a given with a rating of BBB- or higher at Standard & Poor's.

Simplified impairment model

Trade receivables
The ÖBB-Infrastruktur 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. This means that the assets are allocated to Level 2 on initial recognition and transferred to Level 3 if there is objective evidence of impairment. The simplified procedure shall be applied to trade receivables or assets within the scope of IFRS 15 that do not contain a significant financing component.

The default risk for trade receivables is determined on a collective basis. The Group's default risk is mainly influenced by the individual characteristics of its customers. In the case of trade receivables, the estimated expected payment defaults were determined based on experience with actual payment defaults from the last five to six years using the simplified impairment model. The historical default rates are adjusted for expected future changes in macroeconomic factors such as gross domestic product (GDP), the unemployment rate and insolvency rates.

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-Infrastruktur 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 level 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 and allocated to fair value hierarchy level 3.

Provisions

Provisions are recognised when the ÖBB-Infrastruktur 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-Infrastruktur Group assesses whether the contract constitutes or contains a lease. This is the case when the contract gives the right to control the use of an identified asset for a specified period of time, in return for a fee. The ÖBB-Infrastruktur Group uses the definition of a lease under IFRS 16 to assess whether a contract conveys the right to control an identified asset.

On the date of provision, 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 date of provision, 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 date of provision to the end of the lease term unless ownership of the underlying asset is transferred to the ÖBB-Infrastruktur Group at the end of the lease term or the cost of the right of use reflects the fact that the ÖBB-Infrastruktur Group exercises 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.

The straight-line depreciation and amortisation in the 2020 financial year is based on the following useful lives:

	Years
Right-of-use asset for land and buildings	2–35
Right-of-use-asset for automobiles and trucks	2–5
Right-of-use asset for technical equipment and machinery	2–10
Right-of-use asset for other plant, furniture and fixtures	6

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-Infrastruktur Group 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 date of provision or (interest) rate;
- amounts expected to be paid under a guaranteed residual value; and
- the exercise price of a purchase option if it is reasonably certain that the ÖBB-Infrastruktur Group is to exercise it, lease payments for an extension option if it is reasonably certain that the ÖBB-Infrastruktur Group is to exercise it, and penalties for early termination of the lease, unless the ÖBB-Infrastruktur 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-Infrastruktur Group adjusts its estimate of the expected payments from a guaranteed residual value, if the ÖBB-Infrastruktur 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 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-Infrastruktur 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-Infrastruktur Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the term of the lease.

Lessor

Where the ÖBB-Infrastruktur Group acts as lessor, it classifies each lease as either a finance lease or an operating lease at inception of the lease.

In order to classify each lease, the ÖBB-Infrastruktur 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-Infrastruktur 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-Infrastruktur Group accounts separately for the main lease and the sublease. It classifies the sublease on the basis of its right of use under the main lease, rather than on the basis of the underlying asset. If the main lease is a short-term lease to which the ÖBB-Infrastruktur 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-Infrastruktur Group has only entered into an individual contractual pension obligation for a former member of the Board of Management. There are otherwise, only defined contribution plans for pensions. In this case, the ÖBB-Infrastruktur 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. The defined benefit obligations are measured in accordance with actuarial principles and are based on an objective estimate of the discounting factor and rate of compensation increasing along with turnover. 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 location. 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. Valuation 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-Infrastruktur Group's conditional claims for consideration for the complete fulfilment of contractual services. Claims from assets under contract, 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 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-Infrastruktur Group fulfils its contractual obligations. Contract liabilities include prepayments and other prepayments received for subsequent periods, which are reported as a separate item in the Statement of Financial Position. No contractual liabilities have been identified in either reporting year.

Revenue recognition

The ÖBB-Infrastruktur Group recognises revenue when it fulfils a performance obligation by transferring a contracted good or service to a customer. An asset or service is transferred when the customer obtains control of the asset or service.

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. The ÖBB-Infrastruktur Group has not identified any contracts in which the period between the transfer of the promised good or service to the customer and the payment by the customer exceeds one year. Accordingly, the promised consideration is not adjusted for the fair value of the cash.

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-Infrastruktur Group has not identified any such contracts for which the contract term exceeds one year and for which costs to be capitalised that have not already been capitalised on the basis of IAS 16 have been incurred to a material extent in the initiation of the contract or in the performance of the contract. Accordingly, no contract initiation or fulfilment costs were capitalised.

Description of the most important revenue items from contracts with customers

Infrastructure usage charge (IBE)

Railway undertakings (RUs) pay infrastructure charges for the use of the rail infrastructure of the ÖBB-Infrastruktur Group. The contracts between the ÖBB-Infrastruktur Group and the individual RUs are established by the respective orders placed by the individual RUs. The basis for these orders are the respective product catalogues of the individual services. The ÖBB-Infrastruktur Group offers product catalogues for the respective timetable period for the services facilities, stations, shunting and train paths, train journey and other services. These include the respective prices for each service and any surcharges or discounts. The product prices consist of a basic order charge and any surcharges or discounts and are all included in the respective product catalogues. These are fixed prices without any discounts or bonuses.

The basic provisions for calculating and setting infrastructure charges (infrastructure charges) and other charges (service charges - "LE" for short) are contained in §§ 67 to 69b of the Railway Act. The basis for the charges tariff is the definition of the services to be provided to the RUs. These services are structured into minimum access package, services, additional services and ancillary services. The basic access package includes the main range of services without which orderly access to the railway infrastructure would not be possible.

The infrastructure charges are published annually in the product catalogue "Train path, train journey and other services of ÖBB-Infrastruktur AG" in conformity with the law. Based on the infrastructure charges published in this product catalogue, the RUs have ordered their train routes for the period of the network timetable operations since December 2017. The services are invoiced on a monthly basis and are based on the ACTUAL accounting and settlement. The IBE services ordered are charged to the customer one month in arrears. The customer receives the benefit from the company's 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.

Energy deliveries and network usage charges

The performance obligation of the ÖBB-Infrastruktur Group 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 Group 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 accordance 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. For example, there are surcharges for follow-up and short-notice orders. A price cap was agreed for the fixed quantity already ordered for the second and third delivery years.

The agreed tariffs are the stand-alone selling prices. This is the respective price at which the ÖBB-Infrastruktur Group 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's service and use the service while it is being provided. The transfer of control takes place at the time of utilisation by the customers.

Power supplies are discounted monthly in the amount of one-twelfth of the quantity ordered. After year end, billing is based on the actual amount of electric power purchased compared to the amount ordered, including any surcharges and discounts. Settlement of accounts is recorded in the year of supply.

Rental revenue

Rental revenue accrues from the rental and leasing of real estate and cars. These are fixed price contracts where revenue is recognised in the reporting period in which the services are provided. 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.

Revenue from real estate recovery projects

The real estate recovery projects 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 of the former Südbahnhof and the Vienna North freight terminal, which are being developed on a major scale. Revenue is recognised when authority to dispose over the property transfers to the customer.

The sales revenue corresponds to the contractually agreed transaction price. In most cases, the consideration is due when the legal title has been transferred. In rare cases, deferred payments may be agreed, but generally not exceeding twelve months. No significant financing component is therefore taken into account in the transaction price.

Other revenue

Other revenue includes revenue from telecommunications services, repair services, cleaning and security services and services in connection with the operation of the container terminals, which are mainly recognised on a time-period basis.

Performance-related grants

Grants related to expenses awarded to the ÖBB-Infrastruktur Group are recognised in profit or loss and in line with the timing of expenses immediately upon fulfilment of the preconditions. See the explanations in Note 32 regarding the specifics of the grants for infrastructure financing. The federal grant pursuant to § 42 (1) and (2) of the Federal Railways Act for operations management, inspection, maintenance, fault clearance and repair as well as 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 Group presents these subsidies under other operating income. Such grants are not netted against the subsidised expenses in the income statement, but reported under other operating income.

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 § 50 (2) of the 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 of ÖBB-Infrastruktur AG provided for in the Federal Railways Act (partial tax exemption).

Essentially, the following areas have been classified as subject to income tax:

- Income from the electric power business
- Provision of non-railway infrastructure-related services
- Management (incl. development and sale) of real estate that does not constitute railway assets within the meaning of § 10a Railway Act
- Investment management

In December 2005, a group agreement was concluded with ÖBB-Holding AG as the group parent with a majority of the subsidiaries of the overall group, including ÖBB-Infrastruktur AG and its subsidiaries as group members. Accordingly, rules on tax equalisation were agreed between the group parent and the group members. The positive tax allocations determined in accordance with these provisions are calculated using the stand-alone method (assumes the tax independence of the individual group members for the calculation of the allocation) and are due at the time of the approval of the annual financial statements of the respective group member, while negative tax allocations are only due when the group parent effectively uses the losses.

There is a fiscal unity for VAT purposes with ÖBB-Holding AG as the controlling company in accordance with §2 para. 2 UStG.

Deferred taxes

Deferred taxes are recognised - subject to existing exemption provisions - for all temporary differences between the tax base of assets and liabilities ("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.

If deferred taxes arise from the initial recognition of an asset or a liability 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-Infrastruktur 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.

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.

The Board of Management has made estimates in applying the accounting policies of the ÖBB-Infrastruktur Group. 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:

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-Infrastruktur 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. See Note 26.1 for an illustration of the effect of possible changes in parameters.

b. 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 if the useful life (residual life) were to change by +/- 1 year, depreciation would increase by approx. EUR 109.5 million (py: approx. EUR 98.0 million) or decrease by approx. EUR 85.1 million (py: approx. EUR 75.9 million). The adequacy of the useful lives is subject to an annual or case-by-case review.

The useful lives determined in 2019 will principally apply unchanged in 2020. In the current reporting year, there were changes for the following facilities: The useful life of newly added equipment in the traction power lines was extended from 35 to 40 years. The useful life of drainage systems was extended from 20 to 35 years for both existing systems and new acquisitions, which led to a reduction in depreciation amounting to approx. EUR 7.5 million). The annual effect for the following years is of a comparable order of magnitude. In the case of mainline tracks and continuous main tracks, the useful life was reduced by five years for certain installations between Vienna and Innsbruck - depending on the load (greater than 50 tonnes) - which led to an increase in depreciation amounting to approx. EUR 14.0 million (one-off effect).

c. 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. In the 2020 business year, the provisions already existing in the previous year for infrastructure utilisation fees charged in the past were adjusted accordingly; they reflect the current status of the regulatory proceedings. The necessary adjustments are shown in the schedule of provisions.

As of 31.12.2020, several regulatory proceedings existed. These proceedings, which are at different procedural stages, cover the period from December 2011 to 2020. In terms of content, the main issues are the determination and setting of the infrastructure usage charge in passenger transport (from December 2011 to December 2017), the charges under the new infrastructure charging model for the period December 2019 to December 2020 ("train path" product with regard to directly attributable costs and market mark-ups in line with the law) and the admissibility of charging a "platform edge factor" as a separate charge component for the use of service facilities from December 2011 to 2020.

Further proceedings concern the traction current grid utilisation charges for the period from 2016.

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 balance sheet in the form of provisions. The necessity and amount of the provisions are largely dependent on management's 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.

The valuation of the provision for decommissioning costs basically assumed the continued existence of the ÖBB-Infrastruktur Group and the continued operation of the company and therefore the continued operation of the lines. 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's properties and land. The basis of the cost assessment is based 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.

No reliable information on a sensitivity analysis, in particular for the probability of occurrence for environmental risks, for decommissioning costs and for clearance costs, is feasible. See the safeguard clause IAS 37.92 with regard to regulatory procedures (Note 26.2).

See Note 26.2 for the provision amounts.

d. 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 sub-segments of ÖBB-Infrastruktur 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.

Tax matters are subject to uncertainties with regard to their assessment by the tax authorities, and it remains possible that in individual cases these authorities may reach different conclusions than ÖBB-Infrastruktur AG. If changes in the assessment are likely, a corresponding provision is created.

e. Financial obligations

Various proceedings, lawsuits and other claims against or by ÖBB-Infrastruktur 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 31.12.2020, the Board of Management is unable to determine the total amount of financial liabilities or claims, or their impact on the ÖBB-Infrastruktur 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.

Differentiation of maturities

Deferred taxes are to be reported as non-current in accordance with IAS 12. The short-term portion is therefore correspondingly disclosed in the Notes (Note 13). Real estate recovery projects 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 Note 20 and Note 27.

Offsetting

The carrying amount of disposals and proceeds from the disposal of property, plant and equipment, and intangible assets as well as swap interest are offset with the original interest expense (Note 29.2). Furthermore, income from the structuring and profiling of electric power purchases as well as from compensating energy in the amount of around EUR 78.4 million (py: approx. EUR 85.7 million) are offset against the expenses from the purchase of electric power.

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-Infrastruktur Group is dependent and whose sudden loss could seriously jeopardise business operations. The ÖBB-Infrastruktur Group invests liquid funds with credit and financial institutions with good credit ratings and with ÖBB-Finanzierungsservice GmbH. Reference is made to Note 32 with regard to the financing and grants provided by the Republic of Austria as well as grant agreements and the dependency on companies of the rest of the ÖBB Group.

COVID pandemic - financial implications

The COVID pandemic had a financial impact on the 2020 reporting year. The most significant effects on the consolidated income statement are detailed in the following.

As of the reporting date, the ÖBB-Infrastruktur Group had applied for COVID 19 investment grants amounting to approx. EUR 0.4 million. The investment grants are used for the vehicle fleet.

Due to the reduction of the infrastructure usage fee for Austria, the revenue from infrastructure usage is reduced by approx. EUR 88.2 million; these were refunded by the Federal Government under § 42 BBG and increased other operating income. The lease refunds granted amounted to around EUR 2.9 million.

Refund amounts due to notices of separation according to the Epidemic Act, for exempted employees with risk certificates pursuant to the ASVG and for employees on short-time work were paid amounting to approx. EUR 5.4 million and recognised in other operating income. The additional expense for ordering protective masks and disinfectants amounts to around EUR 2.5 million and is reported under other operating expenses.

B. NOTES ON THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION AND THE CONSOLIDATED INCOME STATEMENT

4. Revenue

	2020 in EUR million	2019 in EUR million
Infrastructure usage charge	394.8	474.4
Energy supply and grid usage charge	184.3	190.0
Revenue from rent	141.1	151.8
Revenue from real estate development projects	23.8	51.9
Other revenue	155.4	155.4
Total	**899.4**	**1,023.5**
thereof from affiliated companies	*658.8*	*714.0*

The infrastructure usage charge is mainly paid by companies of the rest of the ÖBB Holding Group for the provision of railway infrastructure. The revenues from "Energy deliveries and grid utilisation fees" include grid utilisation fees of approx. EUR 82.8 million (py: approx. EUR 94.6 million).

Rental revenue accrues from the rental and leasing of real estate.

Other revenue also includes revenue from telecommunications services, repair services, cleaning and security services, services in connection with the operation of the container terminals and construction contracts for third parties.

Revenue from contracts with customers is classified into the following categories:

2020		**Term of the contract**		**Date of transfer of services**		**Sales channels**	
in EUR million	Revenue according to IFRS 15	Current	Non-current	Time-related	Period-related	Direct sales	Intermediary
Revenue							
Infrastructure usage charge	394.8	394.8	0.0	0.0	394.8	394.8	0.0
Energy supply and grid usage charge	183.4	183.4	0.0	0.0	183.4	183.4	0.0
Revenue from real estate development projects	23.8	23.8	0.0	23.8	0.0	23.8	0.0
Other revenue	155.4	155.4	0.0	23.7	131.7	155.4	0.0
Total	**757.4**	**757.4**	**0.0**	**47.5**	**709.9**	**757.4**	**0.0**

2019		**Term of the contract**		**Date of transfer of services**		**Sales channels**	
in EUR million	Revenue according to IFRS 15	Current	Non-current	Time-related	Period-related	Direct sales	Intermediary
Revenue							
Infrastructure usage charge	474.4	474.4	0.0	0.0	474.4	474.4	0.0
Energy supply and grid usage charge	188.9	188.9	0.0	0.0	188.9	188.9	0.0
Revenue from real estate development projects	51.9	51.9	0.0	51.9	0.0	51.9	0.0
Other revenue	155.4	155.4	0.0	40.1	115.3	155.4	0.0
Total	**870.6**	**870.6**	**0.0**	**92.0**	**778.6**	**870.6**	**0.0**

Energy deliveries and network usage charges of approx. EUR 0.9 million (py: approx. EUR 1.1 million) as well as rental revenue of approx. EUR 141.1 million (py: approx. EUR 151.8 million) are not shown as it is excluded from IFRS 15. See Note 33 (Segment reporting) for a breakdown of revenue by geographical area.

All outstanding 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. These own contributions are mainly incurred in connection with the construction or expansion of the railway infrastructure. The own work capitalised relates to own work amounting to approx. 55% (py: approx. 57%) personnel expenses, approx. 26% (py: approx. 26%) material expenses and to the extent of approx. 19% (py: approx. 17%) administrative expenses.

6. Other operating income

	2020 in EUR million	2019 in EUR million
Government grant pursuant to Section 42 of the Austrian Federal Railways Act	2,016.8	1,991.9
Gain from the disposal of property, plant and equipment, intangible assets, investment property and non-current assets held for sale	55.5	30.4
Miscellaneous other operating income	31.6	21.2
Total	**2,103.9**	**2,043.5**
thereof from affiliated companies	*0.1*	*0.1*

The contribution of the Federal Government pursuant to § 42 of the Federal Railways Act serves to ensure the provision, operation and maintenance of the railway infrastructure and for expansion and reinvestment as well as for the fulfilment of statutory duties to the extent that the revenues to be generated by the users of the railway infrastructure are not sufficient to cover the expenses incurred in the event of economical and efficient management. See Note 32 for more details on the grant agreement.

7. Cost of materials and purchased services

	2020 in EUR million	2019 in EUR million
Cost of materials	86.8	100.1
Purchased services	352.2	329.6
thereof maintenance expenses	*287.2*	*266.8*
Total	**439.0**	**429.7**
thereof from affiliated companies	*97.6*	*95.6*

The item Material Expenses includes approx. EUR 61.0 million (py: approx. EUR 66.9 million) of expenses for the external purchase of traction current and the purchase of electricity for resale to third parties. The production costs of the real estate sold, which are recognised as expenses, amount to around EUR 5.3 million (py: approx. EUR 12.4 million).

The cost of purchased services mainly relates to non-capitalisable supplies and services in connection with repairs, maintenance (especially rail infrastructure), disposal costs, cleaning and other services as well as rentals of rail vehicles and transport services (freight services).

8. Personnel expenses and employees

	2020 in EUR million	2019 in EUR million
Wages and salaries	966.2	956.6
Statutory social security contributions	243.3	242.7
Pension costs	10.0	9.8
Expenses for severance payments	9.0	8.3
Total	**1,228.5**	**1,217.4**

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, 2020	Dec 31, 2019	Change Reporting date	Change in %	Average 2020	Average 2019
Employees	4,670	4,328	342	8%	4,513	4,138
Workers	3,049	2,747	302	11%	2,904	2,580
Tenured employees	9,358	10,097	-739	-7%	9,718	10,222
Total (excl. apprentices)	**17,077**	**17,172**	**-95**	**-1%**	**17,135**	**16,940**
Apprentices	1,532	1,562	-30	-2%	1,394	1,419
Total (incl. apprentices)	**18,609**	**18,734**	**-125**	**-1%**	**18,529**	**18,359**

Number of employees (FTE)	Dec 31, 2020	Dec 31, 2019	Change Reporting date	Change in %	Average 2020	Average 2019
Employees	4,569.0	4,235.7	333.3	8%	4,414.9	4,047.6
Workers	3,039.5	2,740.7	298.8	11%	2,896.1	2,575.3
Tenured employees	9,184.4	9,859.3	-674.9	-7%	9,509.2	9,968.1
Total (excl. apprentices)	**16,792.9**	**16,835.7**	**-42.8**	**0%**	**16,820.2**	**16,591.0**
Apprentices	1,532.0	1,562.0	-30.0	-2%	1,393.7	1,419.4
Total (incl. apprentices)	**18,324.9**	**18,397.7**	**-72.8**	**0%**	**18,213.9**	**18,010.4**

9. Depreciation and amortisation

	2020 in EUR million	2019 in EUR million
Depreciation on property, plant and equipment	955.1	923.8
Amortization of intangible assets	41.0	38.8
Depreciation on investment property	4.2	4.0
Less amortization of investment grants	-159.8	-155.9
Total depreciation and amortization	**840.5**	**810.8**

10. Other operating expenses and impairment losses on trade receivables

Other operating expenses and impairment losses on trade receivables of the ÖBB-Infrastruktur Group comprise the following:

	2020 in EUR million	2019 in EUR million
Operating costs (incl. IT)	89.2	88.4
Office requirements	48.9	49.0
Non-income taxes	41.9	42.9
Loss on disposal of property, plant and equipment and intangible assets	29.0	15.7
Holding levy	17.7	19.2
Travel costs	15.4	18.5
Training and continuing education	4.2	6.7
Miscellaneous	72.9	105.7
Total other operating expenses	**319.2**	**346.1**
Impairment losses on trade receivables	11.1	1.0
Total	**330.3**	**347.1**
thereof from affiliated companies	*114.4*	*137.7*

The item Operating Taxes includes all non-income-related taxes (electricity tax, motor vehicle tax, property tax, road use tax, other taxes and levies, etc.).

The remaining other operating expenses relate in particular to the costs of rent, lease and licence expenses, expense allowances, insurance, damage claims, marketing and advertising costs, the hiring of personnel, payments to affiliated companies for transport services to employees and company kitchens.

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:

	2020 in TEUR	2019 in TEUR
Annual financial statements and consolidated annual financial statements audit	363	304
Other auditing services	97	0
Other services	85	43
Total	**545**	**347**

The annual and consolidated financial statements were audited in the 2020 financial year by Ernst & Young Wirtschaftsprüfungs-gesellschaft m.b.H.. In the prior year, BDO Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft was mandated for this purpose. In addition to the audit of the financial statements, services were charged in the 2019 financial year in connection with the monitoring of the OePR audit and in the 2020 financial year for the audit of the non-financial statement in the group management report and the annual financial report in XHTML format. The following services were provided for the Group in both financial years: Preparation of an expert opinion pursuant to § 26 URG for ÖBB-Infrastruktur Aktiengesellschaft and for Güterterminal Werndorf Projekt GmbH, Bahnstromlabeling (review of processes).

11. Interest income and interest expenses

The interest result of the ÖBB-Infrastruktur Group comprises the following:

Interest income/expenses	2020 in EUR million	2019 in EUR million
Interest income	10.4	13.2
Interest expenses	-489.7	-540.5
thereof from affiliated companies	*-0.5*	*-0.4*
Total	**-479.3**	**-527.3**
thereof from affiliated companies	*-0.5*	*-0.4*

Interest income mainly relates to securities and other investments in connection with existing or former cross-border leasing transactions as well as negative interest from loans taken out. Interest income is recognised using the effective interest method.

Interest expenses before capitalisation of interest on borrowings amount to approx. EUR 596.5 million (py: approx. EUR 644.1 million). Of these, approx. EUR 416.8 million (py: approx. EUR 457.8 million) on bonds, with approx. EUR 112.9 million (py: approx. EUR 113.5 million) to liabilities to banks and approx. EUR 39.0 million (py: approx. EUR 29.5 million) to the Austrian Federal Financing Agency (OeBFA). In addition, interest expenses are incurred for EUROFIMA loans and other borrowings as well as expenses similar to interest. Of the total interest expenses, around EUR 106.8 million (py: approx. EUR 103.6 million) were capitalised in accordance with IAS 23 Interest on Cost of Qualifying Assets (see Note 14).

The expenses for liability fees amount to approx. EUR 16.5 million (py: approx. EUR 17.8 million). The other interest expenses include in particular interest payments and accruals from cross-border leasing transactions of approx. EUR 1.3 Million EUR (py: approx. EUR 1.8 million).

12. Other financial result

The other financial result of the ÖBB-Infrastruktur Group comprises the following:

Other financial result	2020 in EUR million	2019 in EUR million
Other financial income	9.1	5.2
thereof from measurement/foreign currency translation differences	*8.7*	*3.0*
thereof from affiliated companies	*0.0*	*0.2*
Other financial expenses	-11.5	-16.5
thereof from measurement/foreign currency translation differences	*-8.6*	*-3.0*
thereof from affiliated companies	*-1.1*	*-1.9*
Total	**-2.4**	**-11.3**
thereof from affiliated companies	*-1.1*	*-1.7*

In addition to exchange rate differences, other financial income relates in particular to valuation gains from derivatives and oncharges in connection with cross-border leasing transactions to affiliated companies as well as income from the valuation of electricity derivatives held for trading purposes.

In addition to exchange rate differences, other financial expenses result in particular from changes in the fair value of derivative financial instruments. Other financial expenses include expenses from the expiry of cross-border leasing transactions as well as expenses from the valuation that were charged to other affiliated companies.

13. Income taxes

Tax expense/tax income

The Income taxes item comprises the following:

	2020 in EUR million	2019 in EUR million
Expense/benefit from tax allocation (group taxation)	-0.9	-0.5
Deferred tax expense/benefit	8.1	-4.8
Income taxes	**7.2**	**-5.3**

Taxes are calculated at 25% of the estimated taxable profit for the financial year.

The deferred taxes developed as follows:

	2020 in EUR million	2019 in EUR million
Deferred tax assets	59.5	54.5
Recognized amounts as of Jan 01	**59.5**	**54.5**
Change in deferred taxes		
recognized in other comprehensive income	*-1.4*	*9.5*
recognized in the earnings generated (IFRS 16)	*0.0*	*0.3*
recognized in profit or loss	*8.1*	*-4.8*
Recognized amounts as of Dec 31	**66.2**	**59.5**
thereof deferred tax assets	*66.2*	*59.5*
thereof deferred tax liabilities	*0.0*	*0.0*

Deferred taxes recognised in other comprehensive income mainly result from differences in value between IFRS carrying amounts and tax bases in the area of reserves from electricity derivatives as well as actuarial gains and losses in accordance with IAS 19.

In view of the underlying measurement differences between the carrying amounts in the IFRS consolidated financial statements and the relevant tax bases, deferred taxes of approx. EUR 52.7 million (py: approx. EUR 46.8 million) are considered non-current. The main current deferred taxes relate to inventories of approx. EUR 4.8 million (py: approx. EUR 6.2 million), electricity derivatives of approx. EUR -4.6 million (py: approx. EUR -4.3 million) and deferred taxes on loss carryforwards of approx. EUR 13.3 million EUR (py: approx. EUR 10.7 million), which are probably to be used in the financial year 2021.

The following table shows the main reasons for the difference between the income taxes recognised in the income statement and the income taxes resulting from applying the statutory tax rate of 25% to the taxable profit for the year.

	2020 in EUR million	2019 in EUR million
Income before income tax according to IFRS	10.2	38.3
Adjustment of tax-exempt portion pursuant to Section 50 (2) of the Austrian Federal Railways Act	101.8	73.7
IFRS result for the year - taxable portion	**112.0**	**112.0**
Group tax rate	*25%*	*25%*
Expected expense (-) or benefit (+) from taxes in the financial year	-28.0	-28.0
Investment income	7.0	3.4
Effects of changes of recognition	28.1	19.3
Non-deductible operating expenses and other additions	0.0 *)	0,0 *)
Accounted income taxes	**7.2**	**-5.3**
Effective corporate tax rate	**-6.4%**	**4.7%**

*) Minimal amounts.

The effective corporate tax rate of -6.4% (py: 4.7%), which deviates significantly from the statutory corporate tax rate of 25%, results mainly from adjustments to the recognition of deferred taxes from loss carry forwards and other deferred tax assets.

Deferred tax assets and deferred tax liabilities as of 31.12.2020 are the result of temporary valuation differences between the carrying amounts in the consolidated financial statements and the relevant tax bases as well as tax loss carry forwards. Recognition adjustments were necessary as the future taxable results justifying the recognition of deferred tax assets were reassessed.

Deferred taxes are attributable to the following significant balance sheet items, loss carry forwards and tax credits:

	Deferred tax assets	liabilities	Deferred tax assets	liabilities
in EUR million	Dec 31, 2020	Dec 31, 2020	Dec 31, 2019	31.12.2019
Assets				
Property, plant and equipment	3.9	-6.2	4.7	-6.7
Investment property	6.3	-0.3	5.3	-0.2
Financial assets	0.1	-6.0	0.1	-5.1
Inventories	4.8	0.0	6.2	0.0
	15.1	**-12.5**	**16.3**	**-12.1**
Liabilities				
Financial liabilities	5.3	0.1	5.7	0.0
Provisions	0.4	-2.7	0.4	-2.5
Other financial liabilities	6.1	-2.2	5.7	-0.8
	11.8	**-4.9**	**11.8**	**-3.3**
Tax losses carried forward	56.7	0.0	46.8	0.0
Deferred tax assets or deferred tax liabilities	**83.6**	**-17.4**	**74.9**	**-15.4**
Offsetting	-17.4	17.4	-15.4	15.4
Net deferred tax assets or deferred tax liabilities	**66.2**	**0.0**	**59.5**	**0.0**

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 considers the scheduled release of deferred tax liabilities and the estimated future taxable income for this assessment.

Based on the taxable income of previous years and the forecasts for taxable income in future years in which tax assets can be utilised, the Executive Board is of the opinion that the realisation of tax benefits from deferred tax assets amounting to approx. EUR 66.2 million (py: approx. EUR 59.5 million) is probable. The temporary differences in the items property, plant and equipment and investment property 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 different acquisition costs for tax purposes and from the accounting of circumstances in accordance with IFRS 16. The temporary differences in inventories result from deviating acquisition costs for tax purposes. The temporary differences from the financial assets and liabilities arise due to the different valuation of the electricity derivatives under IFRS (fair value measurement) and tax law (provision for contingent losses). Financial liabilities mainly include the temporary differences from lease liabilities in accordance with IFRS 16.

The tax loss carry forwards originate from companies in Austria and may be carried forward indefinitely. The annual offsetting against loss carryforwards is limited in Austria to 75% of the respective tax result, however, around EUR 2,152.2 million (py: approx. EUR 2,217.0 million) from the pre-Group losses of the ÖBB-Infrastruktur AG and are thus fully eligible for offsetting against taxable results generated in future periods. The change results from the consideration of the differences that arose due to the assessments made in the financial year and the originally considered tax results.

No deferred taxes are recognised for tax loss carry forwards of approx. EUR 1,930.8 million (py: approx. EUR 2,036.0 million), as realisation is not assured in the foreseeable future.

No deferred taxes were recognised on temporary differences of approx. EUR 14.6 million (py: approx. EUR 12.3 million) from shares in associated companies and subsidiaries.

14. Property, plant and equipment

The classification of property, plant and equipment, the changes in the financial year and the development of the investment grants to property, plant and equipment are shown in the following statement of changes in non-current assets.

in EUR million	Land and buildings	Right-of-use asset for land and buildings	Automobiles and trucks	Technical equipment and machinery	Other plant, furniture and fixtures	Right-of-use asset for other property, plant and equipment	Assets under construction and prepayments	Total
Cost 2020								
Cost as of Jan 01, 2020	*28,702.7*	*88.8*	*420.0*	*10,155.5*	*167.8*	*1.3*	*4,932.2*	*44,468.3*
Additions	101.2	4.9	0.0	3.2	8.1	0.1	2,238.7	2,356.2
Disposals	-122.1	0.0	-17.9	-127.2	-3.7	-0.1	-8.3	-279.3
Transfers	828.9	0.0	34.4	388.3	11.0	0.0	-1,256.0	6.6
Cost as of Dec 31, 2020	**29,510.7**	**93.7**	**436.5**	**10,419.8**	**183.2**	**1.3**	**5,906.6**	**46,551.8**
Accumulated depreciation and amortization as of Jan 01, 2020	*-9,589.6*	*-7.7*	*-286.0*	*-5,773.1*	*-139.6*	*-0.3*	*0.0*	*-15,796.3*
Depreciation and amortization	-570.7	-7.9	-32.7	-335.7	-12.1	-0.3	0.0	-959.3
Disposals	101.4	0.0	14.8	115.4	3.8	0.0	0.0	235.4
Transfers	-2.6	0.0	0.0	1.7	0.3	0.0	0.0	-0.6
Accumulated depreciation and amortization as of Dec 31, 2020	**-10,061.5**	**-15.6**	**-303.9**	**-5,991.7**	**-147.6**	**-0.6**	**0.0**	**-16,520.8**
Carrying amounts before investment grants as of Jan 01, 2020	***19,113.1***	***81.1***	***134.0***	***4,382.4***	***28.2***	***1.0***	***4,932.2***	***28,672.0***
Carrying amounts before investment grants as of Dec 31, 2020	**19,449.2**	**78.1**	**132.6**	**4,428.1**	**35.6**	**0.7**	**5,906.6**	**30,031.0**
Investment grants 2020								
As of Jan 01, 2020	*-9,642.3*	*0.0*	*-5.0*	*-2,951.1*	*-4.8*	*0.0*	*-692.2*	*-13,295.4*
Additions	-50.1	0.0	-0.2	-21.3	-0.1	0.0	-131.6	-203.3
Disposals	59.1	0.0	0.0	35.4	0.0	0.0	0.2	94.7
Transfers	-16.1	0.0	0.0	-8.4	0.0	0.0	24.6	0.1
As of Dec 31, 2020	**-9,649.4**	**0.0**	**-5.2**	**-2,945.4**	**-4.9**	**0.0**	**-799.0**	**-13,403.9**
Accumulated depreciation and amortization as of Jan 01, 2020	*5,695.3*	*0.0*	*4.9*	*2,494.3*	*4.3*	*0.0*	*0.0*	*8,198.8*
Depreciation and amortization	114.3	0.0	0.0	39.8	0.1	0.0	0.0	154.2
Disposals	-52.8	0.0	0.0	-34.1	0.0	0.0	0.0	-86.9
Accumulated depreciation and amortization as of Dec 31, 2020	**5,756.8**	**0.0**	**4.9**	**2,500.0**	**4.4**	**0.0**	**0.0**	**8,266.1**
Investment grants as of Jan 01, 2020	***-3,947.0***	***0.0***	***-0.1***	***-456.8***	***-0.5***	***0.0***	***-692.2***	***-5,096.6***
Investment grants as of Dec 31, 2020	**-3,892.6**	**0.0**	**-0.3**	**-445.4**	**-0.5**	**0.0**	**-799.0**	**-5,137.8**
Carrying amounts after investment grants as of Jan 01, 2020	***15,166.1***	***81.1***	***133.9***	***3,925.6***	***27.7***	***1.0***	***4,240.0***	***23,575.5***
Carrying amounts after investment grants as of Dec 31, 2020	**15,556.6**	**78.1**	**132.3**	**3,982.7**	**35.1**	**0.7**	**5,107.6**	**24,893.1**

"Rights of use for other property, plant and equipment" on the balance sheet date include joint rights of use from leased vehicles with a carrying amount of approx. EUR 0.3 million (py: approx. EUR 0.3 million), from technical equipment and machinery with a carrying amount of approx. EUR 0.3 million (py: approx. EUR 0.6 million) and leased other equipment, operating and office equipment with a carrying amount of approx. EUR 0.1 million (py: approx. EUR 0.1 million).

in EUR million	Land and buildings	Right-of-use asset for land and buildings	Automobiles and trucks	Technical equipment and machinery	Other plant, furniture and fixtures	Right-of-use asset for other property, plant and equipment	Assets under construction and prepayments	Total
Cost 2019								
Cost as of Jan 01, 2019	*27,989.2*	*0.0*	*406.7*	*9,841.0*	*161.0*	*0.0*	*4,256.2*	*42,654.1*
Additions of right-of-use assets from the initial application of IFRS 16	0.0	86.8	0.0	0.0	0.0	1.0	0.0	87.9
Adjusted status as of Jan 01, 2019	*27,989.2*	*86.8*	*406.7*	*9,841.0*	*161.0*	*1.0*	*4,256.2*	*42,742.0*
Additions	25.6	2.0	0.0	1.4	8.2	0.3	1,889.7	1,927.2
Disposals	-96.0	0.0	-16.1	-74.7	-5.2	0.0	-1.4	-193.4
Transfers	783.9	0.0	29.4	387.8	3.8	0.0	-1,212.3	-7.4
Cost as of Dec 31, 2019	**28,702.7**	**88.8**	**420.0**	**10,155.5**	**167.8**	**1.3**	**4,932.2**	**44,468.3**
Accumulated depreciation and amortization as of Jan 01, 2019	*-9,122.3*	*0.0*	*-267.4*	*-5,517.2*	*-133.8*	*0.0*	*0.0*	*-15,040.7*
Depreciation and amortization	-545.2	-7.7	-31.9	-327.5	-11.2	-0.3	0.0	-923.8
Disposals	77.8	0.0	13.3	71.6	5.2	0.0	0.0	167.9
Transfers	0.1	0.0	0.0	0.0	0.2	0.0	0.0	0.3
Accumulated depreciation and amortization as of Dec 31, 2019	**-9,589.6**	**-7.7**	**-286.0**	**-5,773.1**	**-139.6**	**-0.3**	**0.0**	**-15,796.3**
Carrying amounts before investment grants as of Jan 01, 2019	***18,866.9***	***86.8***	***139.3***	***4,323.8***	***27.2***	***1.0***	***4,256.2***	***27,701.3***
Carrying amounts before investment grants as of Jan 01, 2019	**19,113.1**	**81.1**	**134.0**	**4,382.4**	**28.2**	**1.0**	**4,932.2**	**28,672.0**
Investment grants 2019								
As of Jan 01, 2019	*-9,637.2*	*0.0*	*-5.0*	*-2,964.9*	*-4.8*	*0.0*	*-590.0*	*-13,201.9*
Additions	-37.9	0.0	0.0	-7.7	0.0	0.0	-131.0	-176.6
Disposals	49.7	0.0	0.0	33.1	0.0	0.0	0.1	82.9
Transfers	-16.9	0.0	0.0	-11.6	0.0	0.0	28.7	0.2
As of Dec 31, 2019	**-9,642.3**	**0.0**	**-5.0**	**-2,951.1**	**-4.8**	**0.0**	**-692.2**	**-13,295.4**
Accumulated depreciation and amortization as of Jan 01, 2019	*5,630.5*	*0.0*	*4.9*	*2,486.2*	*4.2*	*0.0*	*0.0*	*8,125.9*
Depreciation and amortization	109.3	0.0	0.0	40.4	0.1	0.0	0.0	149.8
Disposals	-44.5	0.0	0.0	-32.3	0.0	0.0	0.0	-76.8
Accumulated depreciation and amortization as of Dec 31, 2019	**5,695.3**	**0.0**	**4.9**	**2,494.3**	**4.3**	**0.0**	**0.0**	**8,198.8**
Investment grants as of Jan 01, 2019	***-4,006.7***	***0.0***	***-0.1***	***-478.7***	***-0.6***	***0.0***	***-590.0***	***-5,076.0***
Investment grants as of Dec 31, 2019	**-3,947.0**	**0.0**	**-0.1**	**-456.8**	**-0.5**	**0.0**	**-692.2**	**-5,096.6**
Carrying amounts after investment grants as of Jan 01, 2019	***14,860.2***	***86.8***	***139.2***	***3,845.1***	***26.6***	***1.0***	***3,666.2***	***22,625.3***
Carrying amounts after investment grants as of Dec 31, 2019	**15,166.1**	**81.1**	**133.9**	**3,925.6**	**27.7**	**1.0**	**4,240.0**	**23,575.5**

The ÖBB-Infrastruktur Group received non-repayable investment grants for property, plant and equipment, which are presented as a reduction of acquisition costs. Both the depreciation of subsidised assets and the amortisation of investment grants are recognised in the income statement under the item "Depreciation".

Reclassifications are, firstly, values reclassified from the item "Assets under construction and advance payments made" to the specific asset accounts for completed assets of property, plant and equipment and intangible assets and, secondly, values reclassified from or to the balance sheet items "Assets held for sale" (Note 19) and from or to "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.

The ÖBB-Infrastruktur Group in accordance with the provisions of IAS 23, capitalised interest on the production costs of qualifying assets amounting to approx. EUR 106.8 million (py: approx. EUR 103.6 million). The underlying interest rate for borrowed capital amounted to around 2.7% (py: 3.0%). Federal grants of around EUR 104.6 million (py: approx. EUR 102.3 million) were recognised as a cost contribution for capitalised interest.

Assets under construction amount to approx. EUR 5,084.6 million (py: approx. EUR 4,236.7 million).

As of 31.12.2020, the contractual obligations for the acquisition of property, plant and equipment (purchase commitments) amounted to approx. EUR 2,050.7 million (py: approx. EUR 1,398.2 million).

Assets in the fleet serve as collateral for EUROFIMA loans amounting to approx. EUR 50.3 million (py: approx. EUR 55.9 million).

Losses from the disposal of property, plant and equipment were incurred amounting to approx. EUR 29.0 million (py: approx. EUR 15.7 million), resulting from the scrapping and demolition of assets, the sale of vehicles and other operating equipment, and transfers to the public domain. In the reporting years, compensation contributions were received in a subordinate amount (py: approx. EUR 0.0 million).

Investment grants from third parties

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.

15. Intangible assets

The breakdown of the intangible assets and the changes in the financial year are shown in the following schedule of assets.

in EUR million	Concessions, protective rights, licenses and development costs	Investment grants to third parties	Down payments on intangible assets	Total
Cost 2020				
Cost as of Jan 01, 2020	*185.7*	*1,275.1*	*43.1*	*1,503.9*
Additions	1.8	190.1	53.9	245.8
Disposals	-0.7	0.0	0.0	-0.7
Transfers	17.9	24.5	-41.4	1.0
Cost as of Dec 31, 2020	**204.7**	**1,489.7**	**55.6**	**1,750.0**
Accumulated depreciation and amortization as of Jan 01, 2020	*-128.6*	*-247.9*	*0.0*	*-376.5*
Depreciation and amortization	-16.6	-24.4	0.0	-41.0
Disposals	0.7	0.0	0.0	0.7
Accumulated depreciation and amortization as of Dec 31, 2020	**-144.5**	**-272.3**	**0.0**	**-416.8**
Carrying amounts before investment grants as of Jan 01, 2020	***57.1***	***1,027.2***	***43.1***	***1,127.4***
Carrying amounts before investment grants as of Dec 31, 2020	**60.2**	**1,217.4**	**55.6**	**1,333.2**
Investment grants 2020				
As of Jan 01, 2020	*-32.4*	*-586.3*	*0.0*	*-618.7*
Additions	-1.4	-53.7	0.0	-55.1
Transfers	0.8	-0.9	0.0	-0.1
As of Dec 31, 2020	**-33.0**	**-640.9**	**0.0**	**-673.9**
Accumulated depreciation and amortization as of Jan 01, 2020	*23.7*	*101.2*	*0.0*	*124.9*
Depreciation and amortization	1.6	4.0	0.0	5.6
Accumulated depreciation and amortization as of Dec 31, 2020	**25.3**	**105.2**	**0.0**	**130.5**
Investment grants as of Jan 01, 2020	***-8.7***	***-485.1***	***0.0***	***-493.8***
Investment grants as of Dec 31, 2020	**-7.7**	**-535.7**	**0.0**	**-543.4**
Carrying amounts after investment grants as of Jan 01, 2020	***48.4***	***542.1***	***43.1***	***633.6***
Carrying amounts after investment grants as of Dec 31, 2020	**52.5**	**681.7**	**55.6**	**789.8**

in EUR million	Concessions, protective rights, licenses and development costs	Investment grants to third parties	Down payments on intangible assets	Total
Cost 2019				
Cost as of Jan 01, 2019	*177.4*	*1,374.6*	*50.3*	*1,602.3*
Additions	1.8	160.1	40.6	202.5
Disposals	-3.0	-298.8	0.0	-301.8
Transfers	9.5	39.2	-47.8	0.9
Cost as of Dec 31, 2019	**185.7**	**1,275.1**	**43.1**	**1,503.9**
Accumulated depreciation and amortization as of Jan 01, 2019	*-117.0*	*-522.4*	*0.0*	*-639.4*
Depreciation and amortization	-14.5	-24.3	0.0	-38.8
Disposals	2.9	298.8	0.0	301.7
Accumulated depreciation and amortization as of Dec 31, 2019	**-128.6**	**-247.9**	**0.0**	**-376.5**
Carrying amounts before investment grants as of Jan 01, 2019	***60.4***	***852.2***	***50.3***	***962.9***
Carrying amounts before investment grants as of Dec 31, 2019	**57.1**	**1,027.2**	**43.1**	**1,127.4**
Investment grants 2019				
As of Jan 01, 2019	*-32.6*	*-768.0*	*0.0*	*-800.6*
Additions	-0.5	-53.6	0.0	-54.1
Disposals	0.2	236.0	0.0	236.2
Transfers	0.5	-0.7	0.0	-0.2
As of Dec 31, 2019	**-32.4**	**-586.3**	**0.0**	**-618.7**
Accumulated depreciation and amortization as of Jan 01, 2019	*22.1*	*332.8*	*0.0*	*354.9*
Depreciation and amortization	1.7	4.4	0.0	6.1
Disposals	-0.1	-236.0	0.0	-236.1
Accumulated depreciation and amortization as of Dec 31, 2019	**23.7**	**101.2**	**0.0**	**124.9**
Investment grants as of Jan 01, 2019	***-10.5***	***-435.2***	***0.0***	***-445.7***
Investment grants as of Dec 31, 2019	**-8.7**	**-485.1**	**0.0**	**-493.8**
Carrying amounts after investment grants as of Jan 01, 2019	***49.9***	***417.0***	***50.3***	***517.2***
Carrying amounts after investment grants as of Dec 31, 2019	**48.4**	**542.1**	**43.1**	**633.6**

The ÖBB-Infrastruktur Group received non-repayable investment grants for intangible assets, which are presented as a reduction of acquisition costs. Both the depreciation of these assets and the reversal of all investment grants are recognised in profit or loss under the item "Depreciation". The average remaining useful life of investment grants to third parties is about 33.4 years (py: 27.2 years).

Expenses for research and development amount to approx. EUR 4.1 million (py: approx. EUR 5.5 million). In the financial year, expenses of approx. EUR 0.3 million (py: approx. EUR 0.3 million) were capitalised as development costs in fixed assets under the item "Concessions, industrial property rights, licences and development costs"; if prototypes are developed, they are capitalised under property, plant and equipment.

The additions to the item "Investment grants to third parties" mainly result from investment grants paid to Galleria di Base del Brennero - Brenner Base Tunnel BBT SE.

16. Financial investment in property

Only properties not qualifying as railway assets (§ 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.

	2020 in EUR million	2019 in EUR million
Cost		
As of Jan 01	*350.6*	*338.9*
Additions	4.8	4.0
Additions due to transfer from inventories	0.0	7.2
Additions at cost from subsequent acquisitions	2.0	5.1
Disposals at cost	-7.7	-6.7
Transfers from/to intangible assets	-5.1	2.1
As of Dec 31	**344.6**	**350.6**
Accumulated depreciation		
As of Jan 01	*-181.6*	*-184.0*
Depreciation and amortization	-4.2	-4.0
Disposals	6.8	6.1
Transfers	0.7	0.3
As of Dec 31	**-178.3**	**-181.6**
Net carrying amount as of Jan 01	169.0	154.9
Net carrying amounts as of Dec 31	**166.2**	**169.0**

All investment property held by the ÖBB-Infrastruktur Group is leased on the basis of operating agreements. The resulting lease income, excluding operating costs, amounted to around EUR 19.3 million (py: approx. EUR 19.6 million), which are offset by directly attributable expenses (including repairs and maintenance, but excluding operating costs) of approx. EUR 5.3 million (py: approx. EUR 6.6 million). In addition, operating expenses amounting to approx. EUR 0.3 million (py: approx. EUR 0.6 million) were incurred, which were not offset by rental income. The ÖBB-Infrastruktur Group has not entered into any contracts for the maintenance of its investment property that give rise to an obligation in this regard.

The fair value amounts to around EUR 762.0 million (py: approx. EUR 619.0 million). The valuation for 85% (py: 79%) of properties is performed utilising 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 include shares in one joint venture and three (py: two) associated companies in both reporting years.

	Ownership share in %	
Joint venture name and registered office	Dec 31, 2020	Dec 31, 2019
Galleria di Base del Brennero – Brenner Basistunnel BBT SE, I-39100 Bozen	50.0	50.0

	Ownership share in %	
Associated company name and registered office	Dec 31, 2020	Dec 31, 2019
LCA Logistik Center Austria Süd GmbH	50.0	New 2020
Weichenwerk Wörth GmbH, A-3151 St. Georgen am Steinfeld	43.05	43.05
Breitspur Planungsgesellschaft mbH, A-1010 Vienna	25.0	25.0

A summary of the financial information for the companies accounted for using the equity method in which ÖBB-Infrastruktur AG holds an interest as of the balance sheet date is presented in the following tables. The table also shows a reconciliation of the summarised financial information to the carrying amount of the Group 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.

	Galleria di Base del Brennero - Brenner Base Tunnel BBT SE	
	Dec 31, 2020 in EUR million	Dec 31, 2019 in EUR million
Revenue	0.0	0.0
Depreciation	-1.1	-1.1
Interest income	0.1	0.1
Interest expenses	-0.2	-0.2
Tax expense	0.0 *)	0,0 *)
Annual profit/loss from continuing operations	0.0	0.0
Overall result	**0.0**	**0.0**
Cash and cash equivalents	210.9	102.0
Other current assets	103.1	66.4
Non-current assets	12.8	115.8
Current liabilities	201.9	200.8
thereof current financial liabilities	*198.1*	*196.9*
Non-current liabilities	43.8	2.3
thereof non-current financial liabilities	*0.0*	*0.0*
Net assets 100%	**81.1**	**81.1**
Interest of the ÖBB-Infrastruktur Group in the net assets of the investee as of Jan 01	*40.6*	*40.6*
Overall result attributable to the ÖBB-Infrastruktur 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**

*) Small amount

The Galleria di Base del Brennero - Brenner Base Tunnel BBT SE (hereafter 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 enterprise. 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 50/50 between Italy and Austria. The 50% on the Austrian side is wholly owned by ÖBB-Infrastruktur AG. The 50% of the Italian share 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 receives a 100% subsidy from the federal government 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.

The provisional annual financial statements of BBT SE show total income (other operating income) in addition to the above-mentioned figures of around EUR 23.7 million (py: approx. EUR 23.4 million) and total expenses amounting to approx. EUR 23.6 million (py: approx. EUR 23.3 million). BBT SE received around EUR 190.0 million (py: approx. EUR 160.0 million) in investment grants. In both reporting years, this amount was refunded by the federal government in the amount of around EUR 43.4 million (py: approx. EUR 46.3 million) as well as in accordance with the share purchase agreement of 18.04.2011 from the federal state of Tyrol amounting to approx. EUR 6.0 million (py: approx. EUR 3.5 million).

The balance reporting sheet date of Weichenwerk Wörth GmbH is 31.03. The company is included on the basis of interim financial statements as of 31.12. Total assets amount to around EUR 33.5 million (py: approx. EUR 24.7 million), revenue amounted to approx. EUR 50.8 million (py: approx. EUR 41.4 million) and the annual net profit amounts to approx. EUR 4.2 million (py: approx. EUR 3.5 million). The business activities of Weichenwerk Wörth GmbH include the production and recycling of switches and components, buffer stops, insulating joints as well as the logistics and transport of the products produced and service activities on switches.

The balance sheet total of Breitspur Planungsgesellschaft mbH amounts to approx. EUR 6.5 million (py: approx. EUR 1.6 million), there were no revenues in either reporting year and the annual result amounted to approx. EUR -2.2 million (py: approx. EUR -1.1 million). The corporate purpose of the company is the planning of the continuation of the 1520-millimetre broad-gauge rail infrastructure from the border of Ukraine through Slovakia to and in Austria.

As at 31.12.2020, LCA Logistik Center Austria Süd GmbH was included in the consolidated financial statements for the first time using the equity method. This initial consolidation resulted in a difference of around EUR 0.1 million, which is recognised in profit or loss. Total assets amount to around EUR 0.2 million (py: approx. EUR 0.2 million), there were no revenues in either reporting year and the annual result was approx. EUR -0.2 million (py: approx. EUR -0.4 million). The object of the company is the location development of a dry port (branch of the port of Trieste) in Fürnitz, Kärnten.

Development of investments in associated companies	Dec 31, 2020 in EUR million	Dec 31, 2019 in EUR million
As of Jan 01	*9.4*	*9.1*
Addition from initial application of the equity method	0.1	0.0
Share of result	1.1	1.7
Distributions and other changes	1.9	-1.4
As of Dec 31	**12.5**	**9.4**

18. Other financial assets

2020 in EUR million	Current	Non-current	Total
Investments	0.0	0.7	0.7
Financial assets - leasing	0.0	24.8	24.8
thereof from affiliated companies	*0.0*	*7.3*	*7.3*
Other financial assets	31.0	73.6	104.6
thereof from affiliated companies	*1.6*	*0.0*	*1.6*
Total	**31.0**	**99.1**	**130.1**
thereof from affiliated companies	*1.6*	*7.3*	*8.9*
thereof measured at amortized cost	*12.7*	*92.5*	*105.2*

2019 in EUR million	Current	Non-current	Total
Investments	0.0	0.9	0.9
Financial assets - leasing	0.0	26.3	26.3
thereof from affiliated companies	*0.0*	*8.5*	*8.5*
Other financial assets	21.7	87.0	108.7
Total	**21.7**	**114.2**	**135.9**
thereof from affiliated companies	*0.0*	*8.5*	*8.5*
thereof measured at amortized cost	*4.5*	*110.0*	*114.5*

Investments

See Note 35 for a full schedule of all investments. These investments are measured at fair value through profit or loss in accordance with IFRS 9 hierarchy level 3.

Financial assets - leasing

The financial assets in connection with leasing relate to a total of approx. EUR 17.5 million (py: approx. EUR 17.8 million) assets from cross-border leasing transactions (CBL). Also included are receivables of approx. EUR 7.3 million (py: approx. EUR 8.5 million) from charged-on claims against other companies in the ÖBB Group resulting from the termination of a leasing transaction.

The financial assets from non-linked CBL transactions amounting to approx. EUR 17.5 million (py: approx. EUR 17.8 million) relate to long-term loans and serve to cover future payment obligations (lease instalments and purchase price). Investment income from accumulating investments increases the item, the servicing of payment obligations reduces the item. These assets are offset by financial liabilities amounting to approx. EUR 17.5 million (py: approx. EUR 17.8 million). Financial liabilities from leasing of approx. EUR 17.5 million (py: approx. EUR 17.8 million) have restrictions on rights of disposal.

Other financial assets

In addition, financial assets of approx. EUR 21.9 million (py: EUR 23.4 million), reported under other financial assets, were pledged as collateral for a lease liability. See Notes 30.1 and 30.3 for more details on leasing and CBL transactions. In addition, derivatives are included related to electric power transactions amounting to approx. EUR 14.2 million (py: approx. EUR 12.0 million) and other derivatives of approx. EUR 10.0 million (py: approx. EUR 8.5 million) as well as remaining portfolios arising from terminated CBL transactions of approx. EUR 56.8 million (py: approx. EUR 64.6 million).

Allowances

The following table shows a summary of the default risk for financial assets:

Financial assets as of Dec 31, 2020 at amortized cost in EUR million	Credit rating *)	Gross carrying amount	Allowance (expected 12-month credit loss)		Net carrying amount
"Low risk" category	AAA to A	62.3	0.0	**)	62.3
"Average risk" category	BBB to B	42.9	0.0	**)	42.9
"Doubtful" category	CCC to C	0.0	0.0		0.0
"Loss" category	D	0.0	0.0		0.0
Total exposure		**105.2**	**0.0**		**105.2**

*) Corresponds to the rating by an external rating agency (Standard & Poor's).

**) Minimal amount.

Financial assets as of Dec 31, 2019 at amortized cost in EUR million	Credit rating *)	Gross carrying amount	Allowance (expected 12-month credit loss)	Net carrying amount
"Low risk" category	AAA to A	114.6	0.1	114.5
"Average risk" category	BBB to B	0.0	0.0	0.0
"Doubtful" category	CCC to C	0.0	0.0	0.0
"Loss" category	D	0.0	0.0	0.0
Total exposure		**114.6**	**0.1**	**114.5**

*) Corresponds to the rating by an external rating agency (Standard & Poor's).

The loss allowance and gross values for financial assets measured at amortised acquisition cost are as follows:

Credit risk of financial assets measured at amortised cost as of Dec 31 in EUR million	2020		2019
Gross carrying amount	105.2		114.6
Allowance	0.0	*)	-0.1
of which expected 12-month credit loss	*0.0*	*)*	*-0.1*
Carrying amount	**105.2**		**114.5**

*) Small amount.

The decrease in the loss allowance in the 2020 financial year is mainly due to the disposal of an asset and to the change in the market data underlying the allowance.

19. Assets held for sale and liabilities held for sale

The balance sheet item of assets held for sale is as follows:

Assets held for sale	2020 in EUR million	2019 in EUR million
As of Jan 01	*0.1*	*0.1*
Additions (single assets)	0.1	0.1
Disposals by sale	-0.1	-0.1
As of Dec 31	**0.1**	**0.1**
of which reported at amortized cost	*0.1*	*0.1*

Assets held for sale as of 31.12.2020 are a plot of land (including buildings) and a railway line. The contracts have already been concluded, but the economic transition will not take place until 2021.

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 2021 for assets held for sale are all higher than the current carrying amounts of the assets. The ÖBB-Infrastruktur Group realised gains in total from assets held for sale amounting to approx. EUR 14.5 million (py: approx. EUR 1.7 million), which are reported together with the result from the disposal of other investments under other operating income.

In accordance with the Supervisory Board resolution of 11.02.2021, a parcel of land with a book value of around TEUR 2 was designated for sale after the reporting date with a sales price of approx. EUR 7.0 million.

The liabilities held for sale are a cost contribution that ÖBB-Infrastruktur AG will make to the purchaser of a railway line in the amount of around EUR 6.4 million, as the purchaser also assumes the decommissioning obligation. This amount has been reclassified from provisions and is shown at book value.

20. Trade and other receivables

This item is broken down as follows:

Dec 31, 2020 **in EUR million**	Current	Non-current	Total
Trade receivables	186.7	0.0	186.7
thereof from affiliated companies	*41.4*	*0.0*	*41.4*
thereof contract assets (construction contracts)	*11.7*	*0.0*	*11.7*
Other receivables and assets	303.5	102.7	406.2
thereof financial instruments	*92.3*	*0.0*	*92.3*
Total	**490.2**	**102.7**	**592.9**

31.12.2019 **in EUR million**	Current	Non-current	Total
Trade receivables	202.4	0.0	202.4
thereof from affiliated companies	*76.6*	*0.0*	*76.6*
thereof contract assets (construction contracts)	*10.2*	*0.0*	*10.2*
Other receivables and assets	239.9	128.2	368.1
thereof financial instruments	*61.6*	*11.8*	*73.4*
Total	**442.3**	**128.2**	**570.5**

The carrying amounts of trade receivables and other receivables (in respect of financial instruments) approximate their fair values due to their short term nature. Trade receivables amounting to approx. EUR 3.7 million (py: approx. EUR 0.3 million) include receivables with a residual term of more than one year.

Trade receivables include contract assets in connection with services for third parties for which the provision of services has not yet been completed.

The other receivables and assets are mainly prepaid liability fees of approx. EUR 105.8 million) (py: approx. EUR 121.9 million), input tax on prepayment invoices EUR 44.7 million (py: approx. EUR 33.1 million), input tax credits from the prepayment filing periods for November and December amounting to approx. EUR 113.9 million (py: approx. EUR 90.9 million), the salaries paid in December for January amounting to approx. EUR 32.3 million (py: approx. EUR 34.0 million) and receivables from investment grants of approx. EUR 23.6 million (py: approx. EUR 9.2 million) and land sales of approx. EUR 54.1 million (py: approx. EUR 32.0 million).

Allowances developed as follows:

	Trade receivables		**Other receivables**	
in EUR million	2020	2019	2020	2019
As of Jan 01	*9.8*	*16.2*	*0.6*	*0.6*
Utilization	-0.8	-7.3	0.0	0.0
Net revaluation of loss allowances	11.1	0.9	-0.2	0.0
As of Dec 31	**20.1**	**9.8**	**0.4**	**0.6**

The following table shows a summary of the default risk for trade receivables and other receivables:

Default risk in EUR million	2020	2019
Trade receivables	206.9	212.2
Other receivables	92.7	74.0
Total gross carrying amount receivables	**299.5**	**286.2**
Impairment	20.5	10.4
Carrying amount	**279.0**	**275.8**

The following table contains information on the default risk and expected credit losses from trade receivables:

Dec 31, 2020 Analysis of default risk by maturity of trade receivables in EUR million	Gross carrying amount (before impairment)	Individual allowance	Gross carrying amount after individual allowance	Flat rate specific loss allowance (IFRS 9)	in %	Net carrying amount
not past due	170.0	0.1	169.8	0.4	0.3%	169.4
up to 90 days past due	12.9	1.0	11.9	1.0	8.3%	10.9
90 to 180 days past due	1.3	0.2	1.1	0.0	0.0%	1.1
180 to 360 days past due	4.7	0.6	4.2	1.9	45.6%	2.3
more than 360 days past due	18.0	14.7	3.3	0.3	7.9%	3.1
Total exposure	**206.9**	**16.6**	**190.3**	**3.6**	**1.9%**	**186.7**

Dec 31, 2019 Analysis of default risk by maturity of trade receivables in EUR million	Gross carrying amount (before impairment)	Individual allowance	Gross carrying amount after individual allowance	Flat rate specific loss allowance (IFRS 9)	in %	Net carrying amount
not past due	198.1	5.8	192.4	0.6	0.6%	191.1
up to 90 days past due	9.0	0.2	8.9	0.4	1.5%	8.8
90 to 180 days past due	1.5	0.2	1.3	0.1	2.2%	1.3
180 to 360 days past due	1.0	0.4	0.7	0.1	12.4%	0.6
more than 360 days past due	2.6	2.0	2.3	0.0	74.0%	0.6
Total exposure	**212.2**	**8.6**	**205.6**	**1.2**	**1.5%**	**202.4**

The following table contains information on the default risk and expected credit losses from other receivables:

Dec 31, 2020 Analysis of default risk by maturity of other receivables in EUR million	Credit rating *)	Gross carrying amount (before impairment)	Allowance		in %	Net carrying amount
"Low risk" category	AAA to A	86.0	0.0	**)	0.1%	86.0
"Average risk" category	BBB to B	0.4	0.0		2.4%	0.4
"Doubtful" category	CCC to C	0.4	0.4		100%	0.0
"Loss" category	D	0.0	0.0		0%	0.0
Total exposure		**86.8**	**0.4**		**0.5%**	**86.4**

*) Corresponds to the rating by an external rating agency (Standard & Poor's).
**) Minimal amount.

Dec 31, 2019 Analysis of credit risk by maturity of other receivables in EUR million	Credit rating *)	Gross carrying amount (before impairment)	Allowance		in %	Net carrying amount
"Low risk" category	AAA to A	38.4	0.0	**)	0.0%	38.4
"Average risk" category	BBB to B	35.3	0.3		0.8%	35.0
"Doubtful" category	CCC to C	0.3	0.3		100%	0.0
"Loss" category	D	0.0	0.0		0%	0.0
Total exposure		**74.0**	**0.6**		**0.8%**	**73.4**

*) Corresponds to the rating by an external rating agency (Standard & Poor's).
**) Minimal amount.

See Note 29.1.c for further details.

21. Inventories

This line item is composed as follows:

	Dec 31, 2020 in EUR million	Dec 31, 2019 in EUR million
Inventories	75.6	75.0
less write down	-0.5	-1.3
Total	**75.1**	**73.7**
thereof recovery objects	*42.4*	*44.5*

Inventories 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 based on the estimated selling price in the ordinary course of business, less estimated manufacturing and distribution costs still to be incurred.

Inventories include, stocks of materials and spare parts for the expansion and maintenance of rail network operations, as well as properties for disposal. The cost of materials and other purchased services is shown in Note 7. As in the previous year, there were no reversals of loss allowances made on inventories in the previous year. 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 of the former Südbahnhof and the Vienna North freight terminal, which are being developed on a major scale.

The impairments in the reporting year 2020 amount to approx. EUR 0.5 million (py: approx. EUR 1.3 million) and are reported in the cost of materials and purchased services.

Property for sale with a book value of approx. EUR 42.4 million (py: approx. EUR 44.5 million) are approx. EUR 25.1 million (py: approx. EUR 34.6 million) are classified as non-current.

22. Cash and cash equivalents

This item is broken down as follows:

	Dec 31, 2020 in EUR million	Dec 31, 2019 in EUR million
Cash on hand and cash	0.0	0.1
Cash in banks	0.1	3.2
Current account ÖBB-Finanzierungsservice GmbH (Group clearing)	50.2	25.6
Total	**50.3**	**28.9**

This item includes investments as well as credit balances with credit institutions, ÖBB-Finanzierungsservice GmbH and cash in hand, all of which are current (due in less than three months). The carrying amounts of these assets are equivalent to their fair values. ÖBB-Infrastruktur Group freely disposes over all cash and cash equivalents. See Note 34 for further details on cash and cash equivalents as shown in the cash flow statement.

23. Share capital, Non-controlling interests

Share capital

The share capital of ÖBB-Infrastruktur AG is unchanged at EUR 500.0 million and is fully paid-in. The share capital is divided into 100,000 registered shares. All shares are held by ÖBB-Holding AG.

Non-controlling interests

This item was created for the shares in the equity of the respective fully consolidated subsidiaries that do not belong to ÖBB-Infrastruktur AG. The development of this item is shown in the Consolidated Statement of Changes in Shareholders' Equity.

The following table shows 100% of the financial information for WS Service GmbH, the Group subsidiary with non-controlling interests (49%).

	Dec 31, 2020 in EUR million	Dec 31, 2019 in EUR million
Non-current assets	0.5	0.5
Current assets	4.1	3.2
Non-current liabilities	0.0	0.0
Current liabilities	3.2	2.7
Net assets	**1.4**	**1.0**
Carrying amount of non-controlling interests (pro rata)	**0.7**	**0.5**
Revenue	10.9	10.0
Profit	0.9	0.6
Other comprehensive income	0.0	0.0
Overall result	**0.9**	**0.6**
Profit attributable to non-controlling interests	*0.5*	*0.3*
Other comprehensive income attributable to non-controlling interests	*0.0*	*0.0*
Cash flow from operating activities	1.7	0.9
Cash flow from investing activities	-0.2	-0.2
Cash flow from financing activities	-0.6	-0.5
Net increase (net reduction) in cash and cash equivalents	**0.9**	**0.2**

24. Reserves and retained earnings

Capital reserves remain unchanged from the previous year at approx. EUR 538.9 million (py: approx. EUR 538.9 million). These result mainly from reorganisations in the past.

The cash flow hedge reserve developed as follows:

	Cash flow hedge reserve	
in EUR million	Development of carrying amount	Income taxes included therein
As of Jan 01, 2019	*32.2*	*-10.3*
Changes in the fair values	-26.0	8.7
Realized gains and losses	-3.8	0.8
As of Dec 31, 2019	**2.4**	**-0.8**
Changes in the fair values	5.3	-1.8
Realized gains and losses	-1.1	0.4
As of Dec 31, 2020	**6.6**	**-2.2**

In addition, actuarial losses from the revaluation of the provisions for severance payments amounting to approx. EUR 9.4 million (py: approx. EUR 7.9 million) are included in the item "Revaluation of defined benefit plans". See the Consolidated Statement of Changes in Shareholders' Equity for further disclosures.

Income taxes included in other comprehensive income relate only to taxable items. ÖBB-Infrastruktur AG cash flow hedge reserve at 31.12.2020 of approx. EUR 6.6 million (py: approx. EUR 2.4 million) relates to commodity derivatives.

25. Financial liabilities

Financial liabilities comprise the following:

2020 in EUR million	< 1 year	1 to 5 years	> 5 years	Total
Bonds	1,050.1	5,016.1	5,354.4	11,420.6
Liabilities to banks	6.9	211.9	3,653.8	3,872.6
Financial liabilities leasing	8.3	46.4	46.2	100.9
thereof from IFRS 16	*8.3*	*28.9*	*46.2*	*83.4*
thereof from affiliated companies	*0.0*	*0.2*	*0.7*	*0.9*
Other financial liabilities	1,587.6	42.3	5,763.3	7,393.2
thereof due to the Federal Government (OeBFA)	*400.0*	*0.0*	*5,690.9*	*6,090.9*
thereof from affiliated companies	*959.9*	*0.0*	*0.0*	*959.9*
Total	**2,652.9**	**5,316.7**	**14,817.7**	**22,787.3**
thereof from affiliated companies	*959.9*	*0.2*	*0.7*	*960.8*

2019 in EUR million	< 1 year	1 to 5 years	> 5 years	Total
Bonds	1,299.1	4,544.3	6,879.4	12,722.8
Liabilities to banks	206.8	217.9	3,654.7	4,079.4
Financial liabilities leasing	8.1	27.6	68.9	104.6
thereof from IFRS 16	*8.1*	*27.5*	*51.1*	*86.7*
thereof from affiliated companies	*0.0*	*0.2*	*0.8*	*1.0*
Other financial liabilities	769.7	18.2	3,862.2	4,650.1
thereof due to the Federal Government (OeBFA)	*123.6*	*0.0*	*3,763.3*	*3,886.9*
thereof from affiliated companies	*293.8*	*0.0*	*0.0*	*293.8*
Total	**2,283.7**	**4,808.0**	**14,465.2**	**21,556.9**
thereof from affiliated companies	*293.8*	*0.2*	*0.8*	*294.8*

The total amount of liabilities with a maturity of more than five years primarily relates to bonds, borrowings from credit institutions, liabilities from cross-border lease agreements and liabilities to the federal government in settlement by the Austrian Federal Financing Agency (OeBFA).

Liabilities to credit institutions include around EUR 3,845.7 million (py: approx. EUR 4,050.7 million) financing from the European Investment Bank (EIB).

Federal guarantees

The Federal Government is liable for bonds amounting to approx. EUR 11,370.6 million (py: approx. EUR 12,669.7 million). Furthermore, liabilities with EUROFIMA with a carrying amount of approx. EUR 87.9 million (py: approx. EUR 192.0 million) are secured by guarantees from the Federal Government.

Bonds issued

Bonds with a total nominal value of around EUR 11,375.0 million (py: approx. EUR 12,675.0 million) are divided 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%
1,300,000,000.00	EUR	2007 - 2022	XS0307792159	4.8750%
200,000,000.00	EUR	2008 - 2022	XS0307792159	4.8750%
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 - 2021	XS0648186517	3.6250%
50,000,000.00	EUR	2011 - 2021	XS0648186517	3.6250%
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%
1,000,000,000.00	EUR	2013 - 2023	XS0949964810	2.2500%
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 (around USD 108.5 million) were issued, of which three (py: three) amounting to approx. USD 60.0 million (py: approx. USD 58.2 million) with CUSIP numbers A5790#AD0 (maturity date 2026), A5790#AE8 (maturity date 2025) and A5790#AF5 (maturity date 2025) are still outstanding.

Financial liabilities Leasing

The liabilities from leasing to other companies result primarily from non-linked CBL transactions and as per reporting date amounted to approx. EUR 17.5 million (py: approx. EUR 17.8 million) as well as from leases in accordance with IFRS 16 of approx. EUR 83.4 million (py: approx. EUR 86.7 million).

Financial assets amounting to approx. EUR 21.9 million (py: approx. EUR 23.4 million) are pledged to cover liabilities from CBL transactions. See Note 14 for information on collateral provided.

Other financial liabilities

Other financial liabilities amounting to approx. EUR 7,393.2 million (py: approx. EUR 4,650.1 million) with a carrying amount of approx. EUR 6,090.9 million (py: approx. EUR 3,886.9 million) relate to liabilities to the Federal Government (OeBFA). Of the liabilities to the federal government (OeBFA), around EUR 400.0 million (py: EUR 123.6 million) are current.

ÖBB-Infrastruktur AG has raised the necessary financing since 2017, 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. The ÖBB-Infrastruktur AG belongs to the general government sector according to Eurostat 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's financing instruments.

The conditions of the long-term financial liabilities to the federal government (OeBFA) are as follows:

Fair value	Currency	Term	Nominal interest rate	Effective interest rate	
400,000,000.00	EUR	2017 - 2027	0.500%	0.5532%	
50,000,000.00	EUR	2017 - 2027	6.250%	0.3983%	
100,000,000.00	EUR	2017 - 2034	2.400%	1.0777%	
200,000,000.00	EUR	2017 - 2047	1.500%	1.5492%	
553,650,000.00	EUR	2017 - 2086	1.500%	1.7704%	1)
250,000,000.00	EUR	2018 - 2117	2.100%	1.8725%	1)
800,000,000.00	EUR	2019 - 2117	2.100%	1.2845%	1)
964,600,000.00	EUR	2019 - 2029	0.500%	-0.2831%	1)
250,000,000.00	EUR	2020 - 2030	0.000%	-0.2148%	1)
1,400,000,000.00	EUR	2020 - 2040	0.000%	-0.0840%	1)
100,000,000.00	EUR	2020 - 2040	0.000%	0.0150%	
150,000,000.00	EUR	2020 - 2026	0.750%	-0.6520%	
5,218,250,000.00	**EUR**	**Total**			

[1] Average effective interest rate.

Other financial liabilities to affiliated companies are due to ÖBB-Finanzierungsservice GmbH and mainly relate to liabilities from current financing amounting to approx. EUR 959.6 million (py: approx. EUR 293.8 million).

Other financial liabilities to other companies mainly comprise of the following EUROFIMA loan amounting to approx. EUR 87.9 million (py: approx. EUR 192.0 million) incurred from accrued interest amounting to approx. EUR 201.3 million (py: approx. EUR 209.2 million) as well as from derivative financial instruments amounting to approx. EUR 21.7 million (py: approx. EUR 26.0 million). Derivative financial instruments with a carrying amount of approx. EUR 0.2 million (py: approx. EUR 6.8 million) relate to hedging instruments.

In both financial years, the ÖBB-Infrastruktur Group fulfilled all obligations arising from the loan and credit agreements.

26. Provisions

In determining the provisions, an assessment was conducted as to whether the ÖBB-Infrastruktur Group was likely to be made liable and whether the probable amount of the provision could be reliably estimated. The provision is recognised in 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

	Dec 31, 2020 in EUR million	Dec 31, 2019 in EUR million
Statutory severance payments	35.9	33.3
Pensions	1.2	1.1
Anniversary bonuses	136.1	128.4
Total	**173.1**	**162.7**

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, 2020	Dec 31, 2019
Discount rate severance payment	1.00%	1.40%
Discount rate pensions	0.85%	1.25%
Discount rate anniversary bonuses	0.55%	0.90%
Rate of compensation increase	3.60%	3.70%
Rate of pension payment increases	2.00%	2.00%
Employee turnover rate anniversary bonuses of tenured employees	0.00 - 1.04%	0.00 - 2.12%
Employee turnover rate anniversary bonuses of other workers and employees	0.00 - 7.71%	0.00 - 8.60%

The Group is usually exposed to the following actuarial risks relating to severance payments and anniversary bonuses: Interest rate risk and salary risk.

Interest rate risk: A decrease in the interest rate leads to an increase in provisions.

Salary risk: The present value of the provisions is determined on the basis of the 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 actuarially using the projected unit credit method (PUC method), which is prescribed for valuations in accordance with IAS 19, and is based on the biometric calculation principles of the Actuarial Association of Austria (AVÖ) 2018-P - mixed portfolio - calculation principles 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 regard, the ÖBB-Infrastruktur Group paid approx. EUR 4.8 million and approx. EUR 4.3 million into the defined contribution plan (VBV Vorsorgekasse AG and APK-PENSIONSKASSE AG) in the years 2020 and 2019 respectively.

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 heirs of an eligible employee are entitled to 50% of the severance benefits.

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:

	2020 in EUR million	2019 in EUR million
Defined benefit commitments as of Jan 01	*33.3*	*27.8*
Service cost	1.5	1.3
Interest cost	0.5	0.6
Subtotal recorded in the net income	**2.0**	**1.9**
Actuarial losses (+) / gains (-) from changes in demographic assumptions	0.0	0.0
Actuarial losses (+) / gains (-) from changes in financial assumptions	1.7	4.1
Experience adjustments	-0.2	0.2
Recognized in other comprehensive income	**1.5**	**4.3**
Severance payments	-0.9	-1.0
Company sales and acquisitions as well as transfers in the ÖBB Group	0.0	0.3
Present value of the commitments as of Dec 31	**35.9**	**33.3**

Provisions for severance payments of around EUR 0.4 million are recognised in 2021 amounting to approx. EUR 13.7 million, in 2022 to 2026 amounting to approx. EUR 21.8 million after 2026. The average remaining term (duration) is 16.3 (py: 16.6) years.

The following sensitivity analysis for the provision of severance payments outlines the effect on the obligations of changes in key actuarial assumptions. In each case, one significant factor was changed, while the others were held constant. In reality, however, it is unlikely that these factors will not correlate. 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) 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 DBO		Decrease of the parameter/ change DBO	
	in %	2020 in EUR million	2019 in EUR million	2020 in EUR million	2019 in EUR million
Interest rate	+/-0.2	-1.2	-1.1	1.1	1.1
Salary increase	+/-0.2	1.1	1.1	-1.2	-1.1

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 according to 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 following table shows the components of the net anniversary benefit expenses for the period and the development of the anniversary provisions in the two reporting years:

	2020 in EUR million	2019 in EUR million
Defined benefit commitments as of Jan 01	*128.5*	*117.0*
Service cost	5.8	5.1
Interest cost	1.1	1.8
Anniversary bonuses	-10.4	-10.8
Company sales and acquisitions as well as transfers in the ÖBB Group	0.0	2.6
Actuarial losses (+) / gains (-)	11.0	10.7
Experience adjustments	0.1	2.0
Present value of the commitments as of Dec 31	**136.1**	**128.5**

The average term (duration) is 9.0 (py: 8.7) years.

A change in the actuarial assumptions would have the following effect:

Sensitivity analysis of the provisions for anniversary bonuses	Change in assumption	Increase of the parameter/ change DBO		Decrease of the parameter/ change DBO	
	in %	2020 in EUR million	2019 in EUR million	2020 in EUR million	2019 in EUR million
Interest rate	+/-0.2	-2.4	-2.2	2.5	2.2
Salary increase	+/-0.2	2.4	2.2	-2.3	-2.1

Pensions

Defined contribution plans

In Austria, pension benefits for employees are generally provided by the social insurance institutions and for railway employees by the Insurance Institution for Railways and Mining and, on the basis of § 52 of the Federal Railway Act, by the federal government. The ÖBB-Infrastruktur Group is legally obliged to pay contributions for pensions and health care for active employees with definitive status to the Insurance Institution for Railways and Mining. In addition, the ÖBB-Infrastruktur Group offers a defined contribution plan to all employees of the ÖBB-Infrastruktur Group in Austria. The company contributions are calculated as a percentage of remuneration and may not exceed 1.2%. The expenses of this plan in the years 2020 and 2019 amounted to approx. EUR 9.9 million and approx. EUR 9.8 million.

Defined contribution plans

A defined benefit pension plan (payments from the age of 60) is in effect for one former member of the Board of Management, which the ÖBB-Infrastruktur Group has paid for 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, including the state pension. The valuation was based on actuarial principles assuming a discount factor of 0.85% (py: 1.3%) and a retirement age of 60.

26.2. Other provisions

in EUR million	As of Jan 01, 2020	Utilization	Release	Release	Additions	As of Dec 31, 2020
Asset retirement obligation	48.9	-0.1	-0.7	-6.4	0.3	42.0
Environmental protection measures	36.9	-1.7	-1.4	0.0	0.7	34.5
Demolition cost and similar obligations	25.2	-5.7	-1.1	0.0	4.5	22.9
Indemnity pensions	3.2	-0.1	-0.7	0.0	0.1	2.5
Miscellaneous	144.9	-46.1	-21.5	2.7	51.5	131.5
Total other provisions	**259.0**	**-53.7**	**-25.4**	**-3.7**	**57.1**	**233.3**
thereof long-term	*100.8*					*89.7*

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 closed or will be closed in the near future. This provision was only created for those routes that can be assumed with sufficient certainty to be decommissioned. In addition to cost and interest rate adjustments, the additions relate to provisions for newly defined routes to be decommissioned in the amount of around EUR 0.3 million (py: approx. EUR 36.0 million). See Note 19 for information on the reclassification.

The provision for environmental protection measures relates to expected remediation measures and soil contamination. In accordance with the relevant statutory provisions, it was recognised with the probable expenses as anticipated and was reversed in 2020 in the amount of around EUR 1.4 million (py: approx. EUR 9.0 million). The reversal results from the revaluation of the provision for real estate. As in the previous year, there are reimbursement claims for environmental protection measures amounting to around EUR 9.3 million and are recognised under other receivables.

The provision for indemnities and similar obligations includes provisions for contractual obligations in connection with property sales.

The obligations from liability pensions are calculated on the basis of biometric accounting principles and discounted at a rate of 0.02% (py: 0.18%).

Miscellaneous other provisions mainly include provisions for legal disputes. Provisions for litigation are made for all identifiable litigation risks at the time the balance sheet is prepared, based on entrepreneurial judgement. The provision relates to numerous litigations arising from the company's business operations. In particular, provisions are included for the recovery of infrastructure utilisation fees and traction current grid utilisation fees with regard to ongoing regulatory

proceedings. As disclosure of information in accordance with IAS 37.92 could seriously affect the company position in these proceedings, no information is provided on the amount of the provision or any contingent liabilities in excess of this amount. In this regard, see the § Use of Estimates and Judgements in Note 3.

Expected payment date for the provisions

Non-current provisions are discounted at interest rates of 0% to 0.11% (py: 0% to 0.05%) depending on the term, if applicable. Adjustments due to changes in the discount rate were insignificant. Of the other provisions, around EUR 89.7 million (py: approx. EUR 100.8 million) are classified as non-current. The payment date for these provisions is expected after 2021. The provisions classified as current are expected to result in a cash outflow in 2021, 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. Should there be any uncertainties about the due date, the provisions in question were predominantly classified as current (mainly relates to the remaining other provisions).

27. Trade payables and other liabilities

2020 in EUR million	Current	Non-current	Total
Trade payables	739.1	0.0	739.1
thereof from affiliated companies	*77.2*	*0.0*	*77.2*
thereof to third companies	*661.9*	*0.0*	*661.9*
Other liabilities	1,410.7	26.9	1,437.6
thereof deferral of federal subsidies	*1,221.5*	*0.0*	*1,221.5*
thereof accrued personnel liabilities	*68.4*	*0.0*	*68.4*
thereof taxes	*22.8*	*0.0*	*22.8*
thereof social security	*14.3*	*0.0*	*14.3*
thereof income tax assessment	*3.6*	*0.0*	*3.6*
Total	**2,149.8**	**26.9**	**2,176.7**

2019 in EUR million	Current	Non-current	Total
Trade payables	557.4	0.0	557.4
thereof from affiliated companies	*52.4*	*0.0*	*52.4*
thereof to third companies	*505.0*	*0.0*	*505.0*
Other liabilities	1,312.2	28.0	1,340.2
thereof deferral of federal subsidies	*1,146.8*	*0.0*	*1,146.8*
thereof accrued personnel liabilities	*68.5*	*0.0*	*68.5*
thereof taxes	*34.2*	*0.0*	*34.2*
thereof social security	*13.5*	*0.0*	*13.5*
thereof income tax assessment	*2.7*	*0.0*	*2.7*
Total	**1,869.6**	**28.0**	**1,897.6**

Trade payables include liabilities with a remaining term of more than one year amounting to approx. EUR 62.2 million (py: approx. EUR 14.6 million) include liabilities with a remaining term of more than one year, which nevertheless are recognised as current in accordance with IAS 1.70.

The accruals for personnel mainly include the items "overtime" and "unutilised leave" amounting to approx. EUR 60.4 million (py: approx. EUR 62.5 million).

Other accruals and deferrals within other liabilities mainly include accrued income from building lease and rental agreements of approx. EUR 20.7 million (py: approx. EUR 23.6 million).

See Note 32 for further information on the accrual of federal subsidies.

C. OTHER NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

28. Other guarantees and contingent liabilities

	2020 in EUR million	2019 in EUR million
Contingent liabilities from lease transactions	44.4	51.9
Other contingent liabilities	20.1	20.6
Total	**64.5**	**72.5**

Contingent liabilities from cross-border leasing

The liabilities from leases relate to those cross-border leasing transactions with no economic substance and for which the associated assets and liabilities are therefore not recognised in the balance sheet. The ÖBB-Infrastruktur Group assumes for these transactions that the contractual partners of the underlying investments - as before - will continue to meet their payment obligations in accordance with the contract and that therefore no cash outflows are to be expected beyond the payments made at the time the transaction was concluded. The contractual partners of the respective investments have a Standard & Poor's rating of at least AA+ or there are subsidiary guarantee obligations on the part of the state public sector. Given the ÖBB-Infrastruktur Group current obligation under the cross-border leasing agreements with regard to the leasing liabilities that have not yet been repaid, a corresponding note to these obligations is included under contingent liabilities. Collateral in the form of pledged investments exists for the leasing obligations that are not yet repaid.

Other contingent liabilities shown relate to guarantees and uncertain liabilities, whereby the extent of the cash outflows depends on the future course of business.

Should a claim arise from cross-border leasing obligations, there are rights of recourse against other companies in the ÖBB Group amounting to approx. EUR 44.4 million (py: approx. EUR 51.9 million).

29. Financial instruments

29.1. Risk management

The ÖBB-Infrastruktur Group financial assets and liabilities are subject in particular to risks from changes in exchange rates, interest rates and the creditworthiness of contractual partners (credit risk). 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. ÖBB-Infrastruktur Group uses derivative financial instruments to hedge these risks. Derivative financial instruments are concluded only with reference to a hedged item.

One core task of risk management is to identify, measure, and mitigate financial risks. Risk mitigation does not mean completely eliminating financial risks, but rather the reasonable management within a precisely defined framework of risks that can be quantified at any time.

ÖBB-Holding AG, which conducts financial transactions in the name and for the account of ÖBB-Infrastruktur AG and its subsidiaries only after receiving their approval and mandate, has established a risk-oriented control environment that includes, among other aspects, guidelines and procedures for the assessment of risks, approval, reporting and monitoring of financial instruments. Top priority in all financial activities is to protect the assets of the ÖBB-Infrastruktur Group.

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 (electricity 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-Infrastruktur 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-Infrastruktur Group due to the structure of its Consolidated Statement of Financial Position. Fluctuations in market interest rates that exceed a certain level agreed with the ÖBB-Infrastruktur Group companies therefore need to be limited (for example, by using derivative financial instruments), in order to minimise their effect on earnings performance.

The use of appropriate derivative instruments to manage interest risks (interest rate swaps) is based on portfolio analyses and recommendations by ÖBB-Holding AG and corresponding decisions by the companies of the ÖBB-Infrastruktur subgroup. The ÖBB-Infrastruktur 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, 2020 in EUR million	Carrying amount financial instruments (see Note 29.5)	non-interest sensitive financial instruments	fixed interest financial instruments	variable interest financial instruments
Financial assets	130.1	33.9	96.2	0.0
Trade receivables	175.0	175.0	0.0	0.0
Other receivables and assets	92.3	92.3	0.0	0.0
Cash and cash equivalents	50.3	0.0	0.0	50.3
Total	**447.7**	**301.2**	**96.2**	**50.3**
thereof from affiliated companies	*100.5*	*50.4*	*0.0*	*50.1*
Financial liabilities	22,787.3	306.8	21,516.9	963.6
Trade payables	736.2	736.2	0.0	0.0
Other liabilities	1,264.8	1,260.5	0.0	4.3
Total	**24,788.3**	**2,303.5**	**21,516.9**	**967.9**
thereof due to the Federal Government (OeBFA)	*6,090.9*	*0.0*	*6,090.9*	*0.0*
thereof from affiliated companies	*1,038.0*	*78.4*	*0.0*	*959.6*

Financial instruments (current and non-current) Dec 31, 2019 in EUR million	Carrying amount financial instruments (see Note 29.5)	non-interest sensitive financial instruments	fixed interest financial instruments	variable interest financial instruments
Financial assets	135.9	30.0	105.9	0.0
Trade receivables	190.8	190.8	0.0	0.0
Other receivables and assets	73.4	73.4	0.0	0.0
Cash and cash equivalents	28.9	0.0	0.0	28.9
Total	**429.0**	**294.2**	**105.9**	**28.9**
thereof from affiliated companies	*110.7*	*85.1*	*0.0*	*25.6*
Financial liabilities	21,556.8	325.2	20,932.5	299.1
Trade payables	557.2	557.2	0.0	0.0
Other liabilities	1,180.1	1,175.8	4.3	0.0
Total	**23,294.1**	**2,058.2**	**20,936.8**	**299.1**
thereof due to the Federal Government (OeBFA)	*3,886.9*	*0.0*	*3,886.9*	*0.0*
thereof from affiliated companies	*347.2*	*53.4*	*0.0*	*293.8*

None of the Group's current 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. The latter have made it clear that they no longer seek to induce or force banks to submit IBORs from the end of 2021. In response to the announcements, there is to be ongoing coordination with commercial banks, discussions with SAP consultants regarding mapping of fallback clauses and exchanges with the Treasury committee interest 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 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 (valuation 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, 2020 in EUR million	+100 base points	-100 base points	+100 base points	-100 base points
Assets				
Cash and cash equivalents	0.7	0.0	0.5	0.0
Liabilities				
Financial liabilities	-9.6	9.6	0.2	-0.2

	Effect in income statement		Effect in shareholders' equity	
Sensitivity analysis interest rate risk as of Dec 31, 2019 in EUR million	+100 base points	-100 base points	+100 base points	-100 base points
Assets				
Cash and cash equivalents	0.1	0.0	0.2	0.0
Liabilities				
Financial liabilities	-3.0	0.0	0.3	0.0

As of 31.12.2020 and 31.12.20219, no interest rate derivatives were designated as being in a hedged relationship.

29.2.b. Currency risk

The ÖBB-Infrastruktur Group is exposed to exchange rate risks resulting primarily from original financial liabilities denominated in foreign currencies. As of the reporting date, the ÖBB-Infrastruktur Group was not exposed to any significant risks relating to foreign currency liabilities.

In the case of cross-border leasing transactions as well as 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.

The following table shows the net foreign currency risk:

Currency-sensitive financial instruments 2020	million in USD
Other financial assets	118.0
Other financial liabilities	-125.0
Net exchange rate risk	**-7.0**

Currency-sensitive financial instruments 2019	million in USD
Other financial assets	116.0
Trade payables	-1.0
Other financial liabilities	-124.0
Net exchange rate risk	**-9.0**

Sensitivity analysis for interest rate risk

Accordingly, the ÖBB-Infrastruktur Group was only exposed to currency risks from unhedged foreign currency liabilities to a minor extent in both financial years. Should the euro have appreciated (depreciated) by 10% against the US dollar, there would have been no material impact on earnings at either balance sheet date.

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 is checked daily by ÖBB-Holding AG. ÖBB-Infrastruktur Group conducts business only with financial partners with a defined rating and objective risk classification by the capital market.

The ÖBB-Infrastruktur Group has introduced a counterparty risk management system in which limit determination and limit allocation are primarily based on the evaluation of credit default swap data from ÖBB Holding Group financial partners. This ensures the Group's ability to respond rapidly to any changes in the capital markets' risk assessment of the financial partner. The applicable limits and their utilisation are monitored daily in order to ensure timely, risk-focused response to market disruptions.

Apart from the original transactions with finance partners, counterparty risk also exists in connection with cross-border leases. For cross border leasing transactions, security deposits, payment undertaking agreements and swaps were concluded with financial partners for lease instalments during the term and the acquisition cost at the end of the term. See Note 30.3 for more information on cross-border leases.

The financial assets of the ÖBB-Infrastruktur Group mainly comprise cash and cash equivalents, trade receivables, other receivables and securities. These items represent the maximum loss exposure of the ÖBB-Infrastruktur Group by the default risk with respect to the financial assets.

The credit risk is composed as follows:

Credit risk from financial instruments in EUR million	Gross exposure (carrying amount plus impairments)	less collateral (Fair Value)	Net exposure
Total exposure 2020			
Financial assets	130.1	-17.5	112.6
Trade receivables	195.1	-79.4	115.7
Other receivables and assets	92.7	0.0	92.7
Cash and cash equivalents	50.3	0.0	50.3
Risk current and non-current assets	**468.2**	**-96.9**	**371.3**
Credit risk from issued guarantees	**64.5**	**-44.4**	**20.1**
Total credit risk as of Dec 31, 2020	**532.7**	**-141.3**	**391.4**
Total exposure 2019			
Financial assets	136.0	-17.8	118.2
Trade receivables	200.6	-57.7	142.9
Other receivables and assets	74.0	0.0	74.0
Cash and cash equivalents	28.9	0.0	28.9
Risk current and non-current assets	**439.5**	**-75.5**	**364.0**
Credit risk from issued guarantees	**72.5**	**-51.9**	**20.6**
Total credit risk as of Dec 31, 2019	**512.0**	**-127.4**	**384.6**

See Note 20 with regard to the maturities of the receivables.

29.2.d. Liquidity risk

The primary aim of the ÖBB-Infrastruktur Group in financial terms is to secure the necessary liquidity for all companies in the ÖBB-Infrastruktur Group. Liquidity risk for the ÖBB-Infrastruktur 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 thus 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.

Reconciliation of carrying amounts with original and financial liabilities as of Dec 31, 2020 in EUR million	Carrying amount of current liabilities	Carrying amount of non-current liabilities	Total	less non-financial instruments	Financial instruments	Original financial liabilities	Derivate financial liabilities
Bonds	1,050.1	10,370.5	11,420.6	0.0	11,420.6	11,420.6	0.0
Liabilities to banks	6.9	3,865.7	3,872.6	0.0	3,872.6	3,872.6	0.0
Finance lease and CBL liabilities	8.3	92.6	100.9	0.0	100.9	100.9	0.0
Other financial liabilities	1,587.6	5,805.6	7,393.2	0.0	7,393.2	7,371.5	21.7
Trade payables	739.1	0.0	739.1	2.9	736.2	736.2	0.0
Other liabilities	1,410.7	26.9	1,437.6	172.8	1,264.8	1,264.8	0.0
	4,802.7	**20,161.3**	**24,964.0**	**175.7**	**24,788.3**	**24,766.6**	**21.7**

Reconciliation of carrying amounts with original and financial liabilities as of Dec 31, 2019 in EUR million	Carrying amount of current liabilities	Carrying amount of non-current liabilities	Total	less non-financial instruments	Financial instruments	Original financial liabilities	Derivate financial liabilities
Bonds	1,299.1	11,423.7	12,722.8	0.0	12,722.8	12,722.8	0.0
Liabilities to banks	206.8	3,872.6	4,079.4	0.0	4,079.4	4,079.4	0.0
Finance lease and CBL liabilities	8.1	96.5	104.6	0.0	104.6	104.6	0.0
Other financial liabilities	769.7	3,880.4	4,650.1	0.0	4,650.1	4,624.1	26.0
Trade payables	557.4	0.0	557.4	0.2	557.2	557.2	0.0
Other liabilities	1,312.2	28.0	1,340.2	160.1	1,180.1	1,180.1	0.0
	4,153.3	**19,301.2**	**23,454.5**	**160.3**	**23,294.2**	**23,268.2**	**26.0**

in EUR million	Carrying amount Dec 31, 2020	non-cash Carrying amount Dec 31, 2020	Carrying value of 2021 cash flows Interest *) 2021	Carrying value of 2021 cash flows Redemption *) 2021	Carrying value of 2022-25 cash flows Interest 2022-2025	Carrying value of 2022-25 cash flows Redemption 2022-2025	Carrying value of 2026 et seq. cash flows Interest 2026 et seq.	Carrying value of 2026 et seq. cash flows Redemption 2026 et seq.
Original financial liabilities								
Bonds	11,420.6	0.0	377.7	1,050.1	1,084.1	5,016.1	1,153.0	5,354.4
Liabilities to banks	3,872.6	0.0	105.3	6.9	410.6	211.9	621.6	3,653.8
Finance lease and CBL liabilities	100.9	17.5	0.4	8.3	2.2	28.9	1.9	46.2
Other financial liabilities	7,371.5	31.4	47.6	1,360.0	190.3	27.9	2,654.6	5,750.9
Trade payables	736.2	0.0	0.0	674.0	0.0	62.2	0.0	0.0
Other liabilities	1,264.8	0.0	0.0	1,264.8	0.0	0.0	0.0	0.0
Total	**24,766.6**	**48.9**	**531.0**	**4,364.1**	**1,687.2**	**5,347.0**	**4,431.1**	**14,805.3**

*) Other financial liabilities include liabilities from accrued interest payments for bonds and liabilities to credit institutions. The actual interest payments 2020 from these accrued liabilities are shown in a separate line as Bonds and Liabilities to Credit Institutions and not in Other Financial Liabilities.

in EUR million	Carrying amount Dec 31, 2019	non-cash Carrying amount Dec 31, 2019	Carrying value of 2020 cash flows Interest *) 2020	Carrying value of 2020 cash flows Redemption *) 2020	Carrying value of 2021-24 cash flows Interest 2021-2024	Carrying value of 2021-24 cash flows Redemption 2021-2024	Carrying value of 2025 et seq cash flows Interest 2025 et seq.	Carrying value of 2025 et seq cash flows Redemption 2025 et seq.
Original financial liabilities								
Bonds	12,722.8	0.0	423.2	1,299.1	1,227.7	4,544.3	1,387.0	6,879.4
Liabilities to banks	4,079.4	0.0	113.5	206.8	419.9	217.9	717.6	3,654.7
Finance lease and CBL liabilities	104.6	17.8	0.7	8.1	2.9	27.6	2.3	51.1
Other financial liabilities	4,624.1	35.9	51.9	539.5	185.7	0.0	2,699.8	3,836.2
Trade payables	557.2	0.0	0.0	542.6	0.0	14.6	0.0	0.0
Other liabilities	1,180.1	0.0	0.0	1,180.1	0.0	0.0	0.0	0.0
Total	**23,268.2**	**53.7**	**589.3**	**3,776.2**	**1,836.2**	**4,804.4**	**4,806.7**	**14,421.4**

*) Other financial liabilities include liabilities from accrued interest payments for bonds and liabilities to credit institutions. The actual interest payments 2019 from these accrued liabilities are presented in a separate line as Bonds and Liabilities to Credit Institutions and not in Other Financial Liabilities.

The interest and repayments of financial liabilities illustrated above exclude those from current and former cross-border leasing transactions. These repayments and interest are offset by identical income, which was netted in the cash flow with interest and repayments of the financial liabilities, as the payments are not effected via the bank accounts of the ÖBB-Infrastruktur Group. Income from the assets is instead transferred directly from the debtor to the creditor.

in EUR million	Carrying amount Dec 31, 2020	Cash flows 2021 Interest 2021	Cash flows 2021 Redemption 2021	Cash flows 2022-25 Interest 2022–2025	Cash flows 2022-25 Redemption 2022–2025	Cash flows 2026 et seq. Interest 2026 et seq.	Cash flows 2026 et seq. Redemption 2026 et seq.
Derivate financial liabilities							
Interest rate derivatives not designated as hedges	2.0	0.8	0.0	0.8	0.0	0.0	0.0
Power derivatives designated as cash flow hedges	0.2	0.0	9.5	0.0	1.8	0.0	0.0
Other derivatives not designated as hedges	19.5	0.0	6.1	0.0	5.0	0.0	0.0
Total	**21.7**	**0.8**	**15.6**	**0.8**	**6.8**	**0.0**	**0.0**
Financial guarantees							
Guarantees from cross-border leasing	44.4	3.1	3.4	7.6	41.0	0.0	0.0
Other guarantees	20.1	0.0	3.5	0.0	9.9	0.0	6.7

in EUR million	Carrying amount Dec 31, 2019	Cash flows 2020 Interest 2020	Cash flows 2020 Redemption 2020	Cash flows 2021–2024 Interest 2021–2024	Cash flows 2021–2024 Redemption 2021–2024	Cash flows 2025 et seq. Interest 2025 et seq.	Cash flows 2025 et seq. Redemption 2025 et seq.
Derivate financial liabilities							
Interest rate derivatives not designated as hedges	2.5	0.8	0.0	1.6	0.0	0.0	0.0
Power derivatives designated as cash flow hedges	6.8	0.0	25.2	0.0	69.8	0.0	0.0
Other derivatives not designated as hedges	16.7	0.0	66.8	0.0	13.5	0.0	4.4
Total	**26.0**	**0.8**	**92.0**	**1.6**	**83.3**	**0.0**	**4.4**
Financial guarantees							
Guarantees from cross-border leasing	51.9	3.7	3.4	11.8	16.6	0.0	31.9
Other guarantees	20.6	0.0	4.0	0.0	10.3	0.0	6.3

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 the financial instruments were determined on the basis of the interest rates existing on 31.12.2020 and 31.12.2019.

The following disbursements are to be assumed with regard to derivative financial assets:

in EUR million	Carrying amount Dec 31, 2020	Cash flows 2021	Cash flows 2022-25	Cash flows 2026 et seq.
Derivative financial assets				
Power derivatives not designated as hedges	14.2	67.1	13.7	0.0
Power derivatives designated as cash flow hedges	10.0	35.7	74.8	0.0
Total	**24.2**	**102.8**	**88.5**	**0.0**

in EUR million	Carrying amount Dec 31, 2019	Cash flows 2020	Cash flows 2021–2024	Cash flows 2025 et seq.
Derivative financial assets				
Power derivatives not designated as hedges	12.0	10.2	2.2	0.0
Power derivatives designated as cash flow hedges	8.5	19.2	23.7	0.0
Total	**20.5**	**29.4**	**25.9**	**0.0**

29.3. Hedging transactions

Hedge accounting

The ÖBB-Infrastruktur 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 volatilities 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 effective portion of the change in the value of the hedging instrument for cash flow hedges is initially recognised in other comprehensive income in equity and reclassified to profit or loss at the time the expected cash flows affect profit or loss. 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-Infrastruktur 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-Infrastruktur 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.

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-Infrastruktur Group and thus represent a market risk. The ÖBB-Infrastruktur 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 of the 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-Infrastruktur Group to have already secured or fixed the prices in advance. Price hedging is effected by concluding forward contracts for the planned purchase volumes for traction current, energy losses and operating equipment, as well as until 2019 for emission certificates. In addition to price hedging, hedging also serves to increase planning security, which is necessary as a basis for price calculation.

The ÖBB-Infrastruktur 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

The ÖBB-Infrastruktur Group has concluded electricity transactions (long-term procurement contracts, electricity forward contracts on the purchasing side). These electricity transactions serve to hedge the electricity 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 carried out through the OTC market (forwards). The cash flow changes of the planned electricity purchases resulting from the change in the electricity price are offset by the cash flow changes of the forwards, which were to be classified as derivatives according to IFRS 9. The aim of the hedging measures is to fix the variable electricity prices of the electricity 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 of the forward contract.

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 hedged risk component has historically covered 100% of the changes in the fair value of the underlying transaction. The electricity 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-Infrastruktur Group secures approx. 1,200 GWh per delivery year on a rolling basis over 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, 2020 Maturity	Number of swaps	MWh	Nominal volume (contract price) in EUR million	Average exercise price in EUR million	Fair value in EUR million
Portfolio	131	2,665,512	121.8		9.8
thereof maturing 2021	*49*	*1,017,432*	*45.2*	*44.4*	*3.9*
thereof maturing 2022	*60*	*1,140,000*	*52.9*	*46.4*	*4.1*
thereof maturing 2023	*22*	*508,080*	*23.7*	*46.7*	*1.8*

Power derivatives designated as hedges Dec 31, 2019 Maturity	Number of swaps	MWh	Nominal volume (contract price) in EUR million	Average exercise price in EUR million	Fair value in EUR million
Portfolio	128	3,187,416	137.9		1.7
thereof maturing 2020	*39*	*1,145,064*	*44.4*	*40.4*	*1.8*
thereof maturing 2021	*55*	*1,183,872*	*51.9*	*44.8*	*1.1*
thereof maturing 2022	*28*	*683,280*	*32.8*	*46.7*	*-0.9*
thereof maturing 2023	*6*	*175,200*	*8.7*	*48.3*	*-0.3*

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 valuation 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 over-collateralisation, which, however, compensates again over time.

The market value of the electricity purchase forwards as of the balance sheet date is determined on the basis of European Energy Exchange futures quotations, discounted using current interest rate curves. The market valuation of the forwards for emission certificates on the balance sheet date is based on the European Emission Allowances Futures Settlement Price.

Amounts transferred from other comprehensive income to the income statement are recognised in cost of materials.

The accumulated other comprehensive income from the electricity 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 Jan 01, 2019	*33.2*	*8.1*	*41.2*	*10.3*	*30.9*
Traction power	-33.7	0.0	-33.7	-8.4	-25.3
Forwards for operating facilities	-0.9	0.0	-0.9	-0.2	-0.7
Forwards for operating facilities closed	-1.3	1.3	0.0	0.0	0.0
Transfer to income statement 2019	1.7	-5.1	-3.5	-0.9	-2.6
As of Dec 31, 2019	**-1.0**	**4.2**	**3.2**	**0.8**	**2.4**
Traction power	6.5	0.0	6.5	1.6	4.8
Forwards for operating facilities	0.6	0.0	0.6	0.2	0.5
Forwards for operating facilities closed	1.1	-1.1	0.0	0.0	0.0
Transfer to income statement 2020	2.8	-4.2	-1.5	-0.4	-1.1
As of Dec 31, 2020	**9.8**	**-1.1**	**8.8**	**2.2**	**6.6**

29.4.2. 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.

	Dec 31, 2020			
Power derivatives not designated as hedges	Number of swaps	Nominal volume	Number of swaps	Nominal volume
Maturity	Purchases	in EUR million	Sales	in EUR million
Portfolio	95	87.5	101	82.0
thereof maturing 2021	*76*	*62.9*	*91*	*72.5*
thereof maturing 2022	*18*	*24.2*	*9*	*7.4*
thereof maturing 2023	*1*	*0.4*	*1*	*2.0*

	Dec 31, 2019			
Power derivatives not designated as hedges	Number of swaps	Nominal volume	Number of swaps	Nominal volume
Maturity	Purchases	in EUR million	Sales	in EUR million
Portfolio	102	92.7	91	68.7
thereof maturing 2020	*74*	*77.0*	*74*	*61.8*
thereof maturing 2021	*20*	*13.0*	*11*	*5.1*
thereof maturing 2022	*8*	*2.7*	*6*	*1.8*

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.

29.5. Additional disclosures pursuant to IFRS 7

Capital management

The financial management of the ÖBB-Infrastruktur Group aims to maintain an excellent credit rating. The special position and the legally defined task of the company, as well as the commitments of the public sector to subsidise infrastructure investments (both construction and operation and maintenance) not covered by the earnings strength of the company, mean that the capital structure is managed primarily by applying key figures that measure debt in relation to the respective budgeted figures. In principle, the financing requirements are determined in the annual planning process, taking into account the repayments of the next few years, the planned investments, the subsidies provided by the federal government and the operating cash flow. The resulting financing needs are covered in the short term by credit lines or the Group internal cash pool and in the long term by external financing. The company defines equity as share capital, reserves, profit earned. Managed equity as of 31.12.2020 amounted to approx. EUR 1,439.5 million (py: approx. EUR 1,420.0 million).

Additional disclosures regarding the financial instruments

Cash and cash equivalents, trade receivables as well as other financial receivables mostly have short remaining 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 balance sheet values of trade payables and other financial liabilities closely approximate their 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 fair values stated of the issued bonds with an ISIN amounting to around EUR 13,911.8 million (py: approx. EUR 15,282.1 million). Of this amount, around EUR 13,763.8 million (py: approx. EUR 14,975.4 million) were unadjusted quoted prices (Level 1 measurement), while approx. EUR 148.0 million (py: approx. EUR 306.7 million), applied a valuation model based on market prices. Level 1 valuations are those resulting from quoted prices (unadjusted) in active markets for identical financial assets or liabilities. The source for the quotations is Reuters. 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 amounts to approx. EUR 55.7 million (py: approx. EUR 55.9 million). These were determined using a valuation model based on market parameters in accordance with Level 2.

Financial assets as of Dec 31, 2020 in EUR million	Carrying amount	less non-financial instruments	Financial instruments	FVtPL equity instruments	Mandatorily at FVtPL	At Amortised Cost	Cash	Hedge Accounting	Fair Value
Non-current assets									
Financial assets	99.1	0.0	99.1	0.7	0.0	92.5	0.0	5.9	121.9
Other receivables and assets	102.7	102.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current assets									
Financial assets	31.0	0.0	31.0	0.0	14.2	12.7	0.0	4.1	31.0
Trade receivables	186.7	11.7	175.0	0.0	0.0	175.0	0.0	0.0	175.0
Other receivables and assets	303.5	211.2	92.3	0.0	0.0	92.3	0.0	0.0	92.3
Cash and cash equivalents	50.3	0.0	50.3	0.0	0.0	0.0	50.3	0.0	50.3
Total carrying amount per category				**0.7**	**14.2**	**372.5**	**50.3**	**10.0**	

Financial liabilities as of Dec 31, 2020 in EUR million	Carrying amount	Less non-financial instruments	Financial instruments	At Amortised Cost	At Fair Value through Profit and Loss (Held for Trading)	Hedge Accounting	Leasing	Fair Value *)
Non-current liabilities								
Financial liabilities	20,134.4	0.0	20,134.4	20,052.8	6.3	0.2	75.1	26,429.0
Other liabilities	26.9	26.9	0.0	0.0	0.0	0.0	0.0	0.0
Current liabilities								
Financial liabilities	2,652.9	0.0	2,652.9	2,629.4	15.2	0.0	8.3	2,667.7
Trade payables	739.1	2.9	736.2	736.2	0.0	0.0	0.0	736.2
Other liabilities	1,410.7	145.9	1,264.8	1,264.8	0.0	0.0	0.0	1,264.8
Total carrying amount per category				**24,683.2**	**21.5**	**0.2**	**83.4**	

*) The fair values stated for the financial liabilities exclude any values for leasing liabilities.

Financial assets as of Dec 31, 2019 in EUR million	Carrying amount	less non-financial instruments	Financial instruments	FVtPL equity instruments	Mandatorily at FVtPL	At Amortised Cost	Cash	Hedge Accounting	Fair Value
Non-current assets									
Financial assets	114.2	0.0	114.2	0.9	0.0	110.0	0.0	3.3	135.4
Other receivables and assets	128.2	116.4	11.8	0.0	0.0	11.8	0.0	0.0	11.8
Current assets									
Financial assets	21.7	0.0	21.7	0.0	12.0	4.5	0.0	5.2	21.7
Trade receivables	202.4	11.6	190.8	0.0	0.0	190.8	0.0	0.0	190.8
Other receivables and assets	239.9	178.3	61.6	0.0	0.0	61.6	0.0	0.0	61.6
Cash and cash equivalents	28.9	0.0	28.9	0.0	0.0	0.0	28.9	0.0	28.9
Total carrying amount per category				**0.9**	**12.0**	**378.7**	**28.9**	**8.5**	

Financial liabilities as of Dec 31, 2019 in EUR million	Carrying amount	Less non-financial instruments	Financial instruments	At Amortised Cost	At Fair Value through Profit and Loss (Held for Trading)	Hedge Accounting	Leasing	Fair Value *)
Non-current liabilities								
Financial liabilities	19,273.1	0.0	19,273.1	19,184.7	6.4	3.4	78.6	23,947.8
Other liabilities	28.0	28.0	0.0	0.0	0.0	0.0	0.0	0.0
Current liabilities								
Financial liabilities	2,283.7	0.0	2,283.7	2,259.5	12.7	3.4	8.1	2,329.3
Trade payables	557.4	0.2	557.2	557.2	0.0	0.0	0.0	557.2
Other liabilities	1,312.2	132.1	1,180.1	1,180.1	0.0	0.0	0.0	1,180.1
Total carrying amount per category				**23,181.5**	**19.1**	**6.8**	**86.7**	

*) The fair values stated for the financial liabilities exclude any values for leasing liabilities.

Offsetting of financial instruments

In accordance with the regulations of IFRS 7.13C, offsetting and potential offsetting amounts actually implemented in the balance sheet are to be disclosed. As there are no agreements regarding actual netting, the following tables only show the potential offsetting amounts from electricity derivatives based on netting agreements and other agreements with contractual partners.

As of Dec 31, 2020 in EUR million	Gross carrying amount reported	Potential offset amount not reported in the financial statement	Net amount after potential offsetting
Power derivate assets	14.2	-8.2	6.0
Power derivate liabilities	-15.2	8.2	-7.0

As of Dec 31, 2019 in EUR million	Gross carrying amount reported	Potential offset amount not reported in the financial statement	Net amount after potential offsetting
Power derivate assets	12.0	-4.9	7.1
Power derivate liabilities	-12.3	4.9	-7.4

Notes to the Consolidated Income Statement and Consolidated Balance Sheet

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.

In the 2019 financial year, accrued interest payments from derivative financial instruments (interest rate swaps) designated as hedging instruments are recognised as an adjustment to the interest expense of the hedged financial instrument. The interest income/expenses are allocated to the measurement categories based on the hedged item; only financial liabilities were guaranteed in the 2019 financial year.

Net financial results by measurement categories

The net profit by measurement category can be found in the following schedule.

	Result of subsequent measurement						
Dec 31, 2020 in EUR million	Interest income/ expenses	At fair value	Foreign currency translation	Impairment/ appreciation	Result from disposal	Result from investments	Other
Financial Assets at amortized cost (FAAC)	6.9	0.0	-8.6	0.0	0.0	0.0	-1.1
FVtPL (equity instruments)	0.0	0.0	0.0	-0.2	0.0	0.0	0.0
Financial Instruments measured at FVtPL (mandatory approach)	0.0	0.0	0.0	0.0	0.0	0.0	-1.1
Financial Liabilities Measured at Amortized Cost (FLAC)	-479.8	0.0	8.7	0.0	0.0	0.0	0.0
Hedge Accounting	0.0	0.0	0.0	0.0	0.0	0.0	0.0

*) Interest expenses include negative interest from loans amounting to approx. EUR 3,5 million.

Dec 31, 2019 in EUR million	Result of subsequent measurement Interest income/expenses	At fair value	Foreign currency translation	Impairment/appreciation	Result from disposal	Result from investments	Other
Financial Assets at amortized cost (FAAC)	12.5	0.0	3.0	0.2	1.2	0.0	-1.6
FVtPL (equity instruments)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial Instruments measured at FVtPL (mandatory approach)	0.0	-10.6	0.0	0.0	0.0	0.0	-0.2
Financial Liabilities measured at Amortised Cost (FLAC) *)	-525.1	0.0	-3.0	0.0	0.0	0.0	0.0
Hedge Accounting	-1.3	0.0	0.0	0.0	0.0	0.0	0.0

*) Interest expenses include negative interest from loans amounting to approx. EUR 0.7 million.

The interest result from financial liabilities in the valuation class "Financial Liabilities Measured at Amortised Cost" essentially includes interest expenses from bonds and loans as well as cross-border leasing transactions. The ÖBB-Infrastruktur Group recognises the other components of the net result in other financial expenses or in other financial income. The total interest income calculated applying the effective interest method amounts to approx. EUR 6.9 million (py: approx. EUR 12.5 million). The item hedge accounting includes net swap income amounting to approx. EUR 0.0 million (py: approx. EUR 0.1 million).

Expenses from loss allowances of trade receivables and other receivables and assets amounting to approx. EUR 11.1 million (py: approx. EUR 1.0 million) are not included in the net financial result, but in the operating result. See Note 20 for more information.

29.6. Derivative financial instruments

The following table shows the recognised 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, 2019	Carrying amounts as of Dec 31, 2019	Liabilities Carrying amounts as of Dec 31, 2019	Carrying amounts as of Dec 31, 2019
Interest rate swaps				
without hedge relation	0.0	0.0	2.0	2.5
Power forwards				
without hedge relation	14.2	12.0	15.1	12.3
designated as cash flow hedge	10.0	8.5	0.2	6.8
Other derivatives				
without hedge relation	0.0	0.0	4.4	4.4
Total	**24.2**	**20.5**	**21.7**	**26.0**

The following tables show the recognised fair values of all derivative financial instruments.

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, 2020 in EUR million	Level 2	Total
Derivatives designated as hedge instrument	10.0	10.0
Derivatives held for trading	14.2	14.2
Financial assets	**24.2**	**24.2**
Derivatives designated as hedge instrument	0.2	0.2
Derivatives held for trading	21.5	21.5
Financial liabilities	**21.7**	**21.7**

Dec 31, 2019 in EUR million	Level 2	Total
Derivatives designated as hedge instrument	8.5	8.5
Derivatives held for trading	12.0	12.0
Financial assets	**20.5**	**20.5**
Derivatives designated as hedge instrument	6.8	6.8
Derivatives held for trading	19.2	19.2
Financial liabilities	**26.0**	**26.0**

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).
Level 3: Parameters were used which are not exclusively based on observable market data.

No transfers between the individual levels took place. See Note 29.1 for further details on these financial instruments.

30. Leasing transactions

30.1. Lessor

ÖBB-Infrastruktur AG is the owner of the rail infrastructure and the vast majority of the real estate in the ÖBB Group.

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 do not fall under IAS 40 or can be reported separately. The vast majority of the lease agreements are terminable. The infrastructure provided to Rail Cargo Austria AG, ÖBB-Personenverkehr AG and other rail operators for use against payment is charged on the basis of a current price list (kilometres driven or gross tonnes transported), and is therefore not a leasing but a service relationship.

There are around 26.000 (py: approx. 21,200) lease agreements, most of which are open-ended and terminated with a maximum notice period of six months. Of this amount, there are approx. 4.000 (py: approx. 4. 150) external fixed-term leases ending between 2021 and 2112 (py: 2020 and 2112), and within the ÖBB Group 100 (py: 100) leases ending between 2021 and 2114 (py: 2020 and 2114), whereas the long-term leases relate to building rights granted to land. Contingent rental income relates exclusively to rental agreements and is concluded with third parties and not with Group companies.

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 minimum lease payments from the fixed-term operating leases at the balance sheet dates are as follows:

Dec 31, 2020 in EUR million	Total	up to 1 year	1 to 5 years	more than 5 years
Land and buildings	501.0	45.8	108.1	347.1
thereof from affiliated companies	*82.6*	*1.2*	*4.2*	*77.2*
Automobiles and trucks	9.4	3.9	5.4	0.1
thereof from affiliated companies	*8.5*	*3.4*	*5.0*	*0.1*
Other technical equipment and machinery	0.3	0.0	0.1	0.2

Dec 31, 2019

in EUR million	Total	up to 1 year	1 to 5 years	more than 5 years
Land and buildings	501.6	49.9	127.5	324.3
thereof from affiliated companies	*91.3*	*1.8*	*6.9*	*82.6*
Automobiles and trucks	9.0	3.9	5.0	0.1
thereof from affiliated companies	*7.8*	*3.4*	*4.3*	*0.1*
Other technical equipment and machinery	0.4	0.0	0.1	0.3

In the year 2020, conditional rent payments of approx. EUR 1.4 million (py: approx. EUR 2.9 million) were recognised in profit or loss.

Finance leasing

The Group has no finance leases as lessor.

30.2. Lessee

Rights of use

The lease agreements mainly concern buildings. The lease agreements have a maximum term of up to 2039. 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. Should a contract be 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 undiscounted lease payments to be paid after the reporting date.

For Dec 31, 2020 in EUR million	Minimum lease payments	Interest expense included	Present value
2021	9.0	-0.7	8.3
2022 - 2025	31.1	-2.2	28.9
after 2025	48.1	-1.9	46.2
Total	**88.2**	**-4.8**	**83.4**

For Dec 31, 2019 in EUR million	Minimum lease payments	Interest expense included	Present value
2020	8.9	-0.8	8.1
2021 - 2024	29.9	-2.4	27.5
after 2024	53.4	-2.3	51.1
Total	**92.2**	**-5.5**	**86.7**

Amounts recognised in the Consolidated Income Statement

in EUR million	2020	2019
Interest expenses for lease liabilities	0.7	0.8
Expenses for short-term leases	0.7	0.7
Expenses for leases of a low-value asset	0.4	0.4
Amortization of right-of-use assets	8.2	8.0

Amounts recognised in the Cash Flow Statement

in EUR million	2020	2019
Total cash paid for leases	-8.7	-8.9

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 date of provision and again if a significant change in circumstances occurs whether it is sufficiently certain that the extension option will be exercised. The leasing agreements do not contain any special restrictions or commitments.

Leasing agreements already concluded as at 31.12.2020

The ÖBB-Infrastruktur Group has concluded a leasing agreement for the lease of office space, which commences in 2022. This result in total payments (undiscounted) for the period 2022 until the end of the waiver of termination on 31.12.2042 in the amount of around EUR 186.8 million.

30.3. Cross-border lease agreements

In the period from May 1995 to December 2002, the Austrian Federal Railways (now ÖBB-Infrastruktur AG) concluded 17 cross-border leasing transactions (CBL transactions) for infrastructure assets and rolling stock, of which only one transaction is still valid as of 31.12.2020.

The remaining CBL transaction of ÖBB-Infrastruktur AG is transferred to ÖBB-Produktion GmbH and ÖBB-Personenverkehr AG via subleases. The CBL transaction is a sale and leaseback transaction. The contractual partner acts as the buyer of the facilities and leases them back to ÖBB-Infrastruktur AG in this process.

Payment obligations such as leasing instalments and the payments required when the purchase option is exercised are secured by repayment vehicles concluded with various banking and leasing institutions. In these payment undertaking agreements, the banks or leasing institutions agreed to make the contractual payments at the stipulated payment dates on behalf of ÖBB-Infrastruktur AG.

Accounting treatment

The ÖBB Group remains the commercial owner of the assets: All internal transactions relating to the ÖBB-Infrastruktur Group have expired. Assets leased to other companies in the ÖBB Group under sublease agreements are recognised in their balance sheets. Detailed regulations on the presentation of leases is provided in IFRS 16 "Leases". The substance of the lease transaction is decisive for accounting. 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-Infrastruktur 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 balance sheet.

Where, however, recognition in the balance sheet is required, the securities (investments with banks and PUAs) were valued at amortised cost. US Treasuries procured in previous years for the purpose of restructuring a rating trigger were allocated to the category "Debt instruments at amortised cost". Initially, the financial assets are matched with lease liabilities in the same amount, and the U.S. Treasury notes are also matched with credit financing in the same amount. 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 31.12.2020, the financial assets in connection with unrelated leasing transactions amount to approx. EUR 17.5 million (py: approx. EUR 17.8 million). The termination of a leasing transaction resulted in claims against ÖBB-Personenverkehr AG amounting to approx. EUR 7.3 million (py: approx. EUR 8.5 million). The related financial liabilities as of 31.12.2020 amount to approx. EUR 17.5 million (py: approx. EUR 17.8 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. There are loss allowances amounting to approx. EUR 0.01 million (py: EUR 0.03 million) on investments.

Treatment of transactions without separate economic substance (linked transactions)

No assets and liabilities were recognised for transactions that had no economic substance and consequently were not required to be accounted for as leases. The obligations under civil law arising from the leases are presented as contingent liabilities in the event that the respective contractual partners under the debt assumption agreements are unable to comply with the payment obligations. As of 31.12.2020, contingent liabilities from CBL transactions including sublease agreements amounted to approx. EUR 44.4 million (py: approx. EUR 51.9 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 was granted a new concession for the sections on Swiss territory by order of the Federal Department of the Environment, Transport, Energy and Communications dated 03.03.2017, the former "Concession Nr. 5030 for the construction and operation of a railway infrastructure"

  • for the St. Margrethen - Border (- Bregenz) line for a period of fifty years, i.e. until 31.12.2067, and
  • for the Buchs SG - Border (- Feldkirch) line for a period of five years, i.e.

until 31.12.2022.

ÖBB-Infrastruktur AG thus has current and valid infrastructure concessions as an infrastructure manager within the meaning of the relevant provisions of EU law for the §s 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 § 51 of the Federal Railway Act.

The Stab Recht team is to submit a timely application to the Swiss DETEC for an extension of the concession period for the Buchs SG - border (- Feldkirch) § in order to ensure that all concession acts are uniformly limited until 31.12.2067.

After the Liechtenstein government bill on the approval of a commitment credit was rejected in a referendum on 20.08.2020, there is a lack of the necessary financing basis for the expansion project for reinvestment, selective double-track expansion and modernisation of the Feldkirch - Buchs line, which was officially approved by notices of the BMVIT of 11.06.2015, BMVIT-820.371/0001-IV/SCH2/2015 and decision of the government of the Principality of Liechtenstein of 16.12.2016.

Until a trilateral consensus is reached between the countries involved and ÖBB-Infrastruktur AG on a possible extension, which is not under discussion in the medium term, the Feldkirch - Buchs line will essentially be maintained in its current condition, suitable for safe and orderly railway operations, and made available to railway undertakings for the operation of services within the scope of their access rights.

The infrastructure assets in Liechtenstein and Switzerland are owned by ÖBB-Infrastruktur AG and have a carrying amount as of 31.12.2020 of approx. EUR 22.9 million (py: approx. EUR 23.9 million). The concessionaire assumes the transport of passengers, luggage and freight.

32. Related party transactions

Supplies to and from related parties

Related companies or related parties include affiliated, not fully consolidated companies of the Group or the ÖBB-Holding Group, associated companies with any subsidiaries, joint ventures with any subsidiaries, the shareholder of ÖBB-Holding AG (Republic of Austria) as well as its most significant subsidiaries and the members of the management in key positions (members of the Management Board and Supervisory Board of ÖBB-Infrastruktur AG and members of the management and supervisory boards of fully consolidated subsidiaries of ÖBB-Infrastruktur 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, Autobahnen- und Schnellstraßen-Finanzierungs-Aktiengesellschaft, Telekom Austria AG, Schieneninfrastruktur-Dienstleistungsgesellschaft mbH, Verbund AG), which are also to be classified as related parties under IAS 24, within the range of services provided by the ÖBB-Infrastruktur Group. The transactions pursuant to IAS 24 that were carried out with these companies in the reporting year involved ordinary transactions in the course of the operating business. Substantial transactions (total revenue of approx. EUR 12.9 million (py: approx. EUR 7.7 million) and expenses amounting to approx. EUR 71.6 million (py: approx. EUR 70.7 million EUR]) were conducted with the Verbund AG Group. Unpaid invoices from or to these companies on the reporting date are recognised as trade receivables and trade payables. Other transactions were of minor importance and accounted for less than 3% of the cost of materials and purchased services and less than 1% of the turnover.

Purchases were conducted at market prices less standard volume discounts and other discounts based on the scope of the business relationships.

In the following, the volume of transactions between the ÖBB-Infrastruktur Group and related companies of the remaining ÖBB-Infrastruktur Group as well as the receivables and liabilities outstanding from these transactions at the end of the financial year are discussed:

	Affiliated companies of the Rail Cargo Austria sub-group		Affiliated companies of the ÖBB-Personenverkehr sub-group		Affiliated, not fully consolidated companies of ÖBB-Infrastruktur		Other affiliated companies	
in EUR million	2020	2019	2020	2019	2020	2019	2020	2019
Sale of goods/ rendering of services	138.7	211.9	327.6	344.8	0.0	0.0	192.6	157.5
Purchase of goods/services/fixed assets	74.4	71.4	24.5	26.0	0.0	0.0	113.1	135.9
Trade receivables	6.4	13.8	6.9	30.3	0.0	0.0	28.1	32.6
Other financial assets	0.0	0.0	7.6	8.5	0.0	0.0	1.3	0.0
Trade payables	31.4	18.2	3.2	2.4	0.0	0.0	42.6	31.8
Other financial liabilities	0.0	0.0	0.0	0.0	0.3	0.3	960.5	294.5

Transactions with affiliated companies of the rest of the ÖBB Group are reported separately under the individual items in the Notes to the consolidated financial statements. The financial liabilities to other affiliated companies are mainly to ÖBB-Finanzierungsservice GmbH.

The parent company ÖBB-Holding AG provided services in the reporting year, among others in the areas of controlling, finance, communication, marketing, production, technology, safety, audit, group accounting, balance sheet accounting and taxation, strategy, corporate development, law, compliance, as well as strategic Group procurement, strategic IT management and strategic personnel management, which are offset via individual agreements or using internal apportionment of the costs. Total income amounted to approx. EUR 4.4 million (py: approx. EUR 2.3 million), expenses to approx. EUR 19.1 million (py: approx. EUR 21.1 million). As of 31.12.2020, receivables were recognised of approx. EUR 116.6 million (py: approx. 92.2 million) and liabilities of approx. EUR 4.2 million (py: approx. EUR 7.3 million). The receivables from ÖBB-Holding AG consist in particular of sales tax credits (sales tax group).

There were no transactions with members of the management in key positions or related parties in 2020 (py: approx. TEUR 58). The Group relationships with associated companies and joint ventures are shown as follows.

	Associated companies		Joint ventures	
in EUR million	2020	2019	2020	2019
Sale of goods/rendering of services (total revenue)	3.1	3.0	0.7	1.7
Purchase of goods/services/fixed assets (total expense)	35.9	28.0	0.0	0.0
Trade receivables	1.1	0.7	0.6	0.3
Trade payables	2.4	2.7	0.0	0.0

See Note 28 for information on guarantees given to affiliated companies.

Service relationships with the federal government, framework plan for infrastructure investments and the federal government's liability

General information

ÖBB-Infrastruktur AG is a railway infrastructure company whose tasks are in the public interest and are defined in more detail in § 31 of the Federal Railways Act. The basis for the financing of the company is § 47 of the 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 § 42 (6) of the Federal Railways Act. The commitment regulated by the Federal Government in this provision is implemented specifically in the grant agreements pursuant to § 42 (1) and (2) of the 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 § 31 of the 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 § 42 (1) of the 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 do not cover the expenses incurred in the event of economical and efficient management, and
- pursuant to § 42 (2) of the 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 § 42 (1) and (2) of the 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 § 42 of the Federal Railways Act. Monitoring refers to the economical, efficient and appropriate use of funds in the planning, construction, maintenance, provision and operation of a demand-oriented and safe rail infrastructure.

The framework plan 2021 to 2026 was adopted by the Republic of Austria in the Council of Ministers on 14.10.2020 and approved by the Supervisory Board of ÖBB-Infrastruktur AG on 03.12.2020.

In March 2020, the grant agreements pursuant to § 42 of the Federal Railways Act (Zuschussverträge gemäß § 42 Bundesbahngesetz), which govern the grants from 2018 onwards, were formally drawn up by the Republic of Austria, represented by the Federal Ministry for Climate Protection, Environment, Energy, Mobility, Innovation and Technology (BMK), in agreement with the Federal Ministry of Finance, and ÖBB-Infrastruktur AG. These grant agreements are thus also valid for the year 2020.

In December 2020, the grant agreement pursuant to § 55b of the Railway Act and § 42 (1) of the Federal Railway Act for the framework planning period 2018 to 2023, signed in March 2020, was increased by approx. EUR 5.0 million to compensate for the loss of the infrastructure charge for private passenger transport.

Financing of the infrastructure

The grant agreement pursuant to § 42 (2) Federal Railways Act is based on the business plan to be prepared by ÖBB-Infrastruktur AG pursuant to § 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 in accordance with § 42 (7) of the 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 2018 to 2023 stipulates that the share to be assumed by the federal government for expansion investments and reinvestments in accordance with the framework plan 2018 to 2023 (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 subsidies.

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 § 42 of the Federal Railways Act and the achievement of the targets (performance and output targets) according to the grant agreement pursuant to § 42 (1) of the 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 2020, an amount of approx. EUR 986.4 million (py: approx. EUR 963.7 million) was granted for expansion and reinvestment on the basis of the valid subsidy agreement 2018 to 2023 pursuant to Section 55b of the Railway Act. An amount was granted for inspection, maintenance and fault clearance of around EUR 594.1 million (py: approx. EUR 583.5 million).

ÖBB-Infrastruktur AG has made investment grants for the construction costs of the Brenner Base Tunnel amounting to around EUR 190.0 million (py: approx. EUR 160.0 million) to BBT SE. The payments contractually agreed with the province of Tyrol in the course of the share acquisition and the payments made by the federal government to ÖBB-Infrastruktur in connection with the cross-financing of the road amounted to approx. EUR 49.4 million (py: approx. EUR 49.8 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 § 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 § 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 demand-oriented 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 § 45 of the 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 § 42 of the Federal Railways Act.

The targets to be specifically achieved by ÖBB-Infrastruktur AG are divided 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 § 42 (6) of the 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 § 42 (6) of the Federal Railways Act.

The total subsidies granted pursuant to § 42 of the Federal Railways Act in 2020 amount to approx. EUR 2,412.7 million (py: approx. EUR 2,328.1 million). The grant for expansion and reinvestment investments amounting to around EUR 986.4 million (py: approx. EUR 963.7 million) was reduced due to the investment measures undertaken and a more favourable interest rate development in the income statement by approx. EUR 16.6 million (py: approx. EUR 71.3 million) to approx. EUR 969.8 million (py: approx. EUR 892.3 million). The grant for operational management as well as inspection, maintenance, fault clearance and repair amounting to around EUR 1,426.3 million (py: approx. EUR 1,444.9 million) was reduced by a total of approx. EUR 379.4 million (py: approx. EUR 243.1 million) due to an improvement in operating

business and the more favourable interest rate development in the income statement. The grant attributable to the interest capitalised in accordance with IAS 23 in the amount of around EUR 104.6 million (py: approx. EUR 102.3 million) is to be seen as an investment subsidy 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 § 42 (1) of the Federal Railways Act and is presented as a cost contribution. This means that operational management as well as inspection, maintenance, fault clearance and repair, was recognised in the income statement amounting to around EUR 1,046.9 million (py: approx. EUR 1,099.5 million). The accrued amounts in connection with the grants for expansion and reinvestment amounting to around EUR 12.9 million (py: approx. EUR 69.1 million) and in connection with operational management and apprenticeship training amounting to approx. EUR 61.7 million (py: approx. EUR 235.3 million) are reported under other liabilities, the deferred amount from maintenance of approx. EUR 16.8 million (py: approx. EUR 7.8 million) under deferred income. The peak calculation of the annuity for the Brenner Base Tunnel results in a repayment share for ÖBB-Infrastruktur AG of approx. EUR 3.6 million (py: approx. EUR 2.2 million), recognised under deferred income.

The development of the grants in the year 2020 is therefore as follows:

in EUR million	Total grant	Deferrals	Income or loss in 2020
§ 42 (1) operational management	832.2	-362.6	469.6
§ 42 (2) inspection, maintenance and repair	594.1	-16.8	577.3
§ 42 (2) Investment (annuity)	986.4	-16.6	969.8
Total	**2,412.7**	**-396.0**	**2,016.7**

In the reporting year, an amount of around EUR 150.0 million was refunded in December 2020.

The development of grants in the year 2019 was as follows:

in EUR million	Total grant	Deferrals	Income or loss in 2019
§ 42 (1) operational management	861.4	-331	530.4
§ 42 (2) inspection, maintenance and repair	583.5	-14.4	569.1
§ 42 (2) Investment (annuity)	883.2	9.2	892.4
Total	**2,328.1**	**-336.2**	**1,991.9**

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 investment grants to investment measures) from the Austrian provincial governments and municipalities amounting to approx. EUR 77.3 million (py: approx. EUR 61.4 million) of which receivables amounting to approx. EUR 1.5 million (py: approx. EUR 7.0 million) were still outstanding at reporting date. In addition, EU subsidies amounting to around EUR 8.7 million (py: approx. EUR 10.1 million) were granted. The investment grants and EU subsidies are investment grants from the public sector or the EU that were recognised as a reduction in acquisition costs.

Remuneration of the members of the Board of Management and of the executive management at the subsidiaries

The Board of Management of ÖBB-Infrastruktur AG consisted of three members on both balance sheet dates. Pursuant to § 266 Z 2 of the Austrian Commercial Code (UGB), the total remuneration paid to the members of the Board of Management in the reporting years amounted to approx. TEUR 1,071 (py: approx. TEUR 1,224), which also includes variable components and benefits in kind. Statutory contributions to the employee pension fund were paid amounting to approx. TEUR 16 (py: approx. TEUR 18). Holiday provisions decreased by around TEUR 136 from approx. TEUR 185 to approx. TEUR 49. Provisions relating to target agreements as of 31.12.2020 amount to approx. TEUR 348 (py: approx. TEUR 350). Pension payments for former members of the Board of Management amounting to approx. TEUR 44 (py: approx. TEUR 43) were incurred. Provisions for pensions were increased by approx. TEUR 40 (py: approx. TEUR 93).

The total remuneration of the members of the Board of Management is composed of fixed and variable components. The amount of the variable annual component is subject to the achievement of objectives agreed with the Executive Committee of the Supervisory Board at the beginning of each financial year.

In view of the difficult economic conditions resulting from the COVID-19 crisis, the board members have agreed to make a voluntary solidarity contribution by foregoing one month's salary.

The employment contracts of the top executive management (members of the Board of Management of the parent companies and managing directors of companies at comparable levels) include a performance-based component, whereby the success of the company is significantly reflected in the remuneration. In principle, two-thirds of the remuneration of top executives consists of a fixed base salary, and one-third is a variable performance-related component. At the beginning of each financial year, an individual score card is developed for each company for the purpose of agreeing upon clearly defined, mainly quantitative objectives. The target figures are aligned with the success of the ÖBB-Infrastruktur Group. The variable components of the salaries that were paid out are included in the remuneration of the Board of Management indicated above.

The members of the Board of Management of ÖBB-Infrastruktur AG participate in an external defined-contribution pension fund scheme, except for members of the Board of Management who are seconded for the time of their activity in the Board within a definite ÖBB employment relationship in accordance with the general terms and conditions for employment with Austrian Federal Railways (AVB). A provision of around TEUR 95 (py: approx. TEUR 70) was created reflecting this pension fund regulation. The company itself assumes no pension commitments.

The total remuneration paid to the members of the executive management at the subsidiaries for their activities in the reporting years amounted to approx. TEUR 496 (py: approx. TEUR 800), which also includes variable components and benefits in kind. Managing directors who are also employees of the ÖBB Group receive no separate remuneration for their managing director activities.

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-Infrastruktur AG. The remuneration for a Supervisory Board mandate was last revised at the 2019 Annual General Meeting. The basic remuneration for a Supervisory Board mandate is TEUR 14 per 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. The chairperson of the Supervisory Board receives double 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 members of the Supervisory Board for their work in the ÖBB-Infrastruktur Group amounted to approx. TEUR 150 (py: approx. TEUR 166). The remuneration of the remaining Supervisory Board members at the Group companies amounted to around TEUR 14 (py: approx. TEUR 45).

33. Segment reporting

A business segment is a part of a company that engages in business activities from which it may earn revenues, incurs expenses and whose operating results are regularly reviewed by the principal operations manager of the company in making decisions about resources for allocation to the segment and assessing its performance. It is a group of assets and operating activities that provides products or services that are subject to risks and returns that are different from those of other business segments and for which relevant financial information is available.

Information on segment reporting

Segment reporting is undertaken in the ÖBB-Infrastruktur Group in accordance with the management structure. The ÖBB-Infrastruktur Group has only one segment - rail infrastructure.

Information at company level

Important customers pursuant to IFRS 8.34 are ÖBB-Personenverkehr AG (total revenue of approx. EUR 320.4 million [py: approx. EUR 338.1 million), ÖBB-Produktion GmbH (total revenue of approx. EUR 174.1 million [py: approx. EUR 177.4 million]) and Rail Cargo Austria AG (total revenue of approx. EUR 94.1 million [py: approx. EUR 168.1 million]). This revenue results primarily from the infrastructure usage charge and the sale of traction current. These companies are part of the ÖBB Group and are therefore affiliated companies.

The following table provides a segmentation of Group revenue based on geographic markets and customer location, irrespective of the origin of the goods and services.

Revenue	2020 in EUR million	2019 in EUR million
Austria	877.9	996.2
Germany	12.4	17.6
Other markets	9.1	9.7
Total	**899.4**	**1,023.5**

Change in finished goods, work in progress and services not yet chargeable, other own work capitalized and other operating income	2020 in EUR million	2019 in EUR million
Austria	2,428.7	2,356.2
Germany	0.4	0.4
Other markets	0.5	0.1
Total	**2,429.6**	**2,356.7**

The presentation of the carrying amounts of the segment assets and the additions to property, plant and equipment and intangible assets, broken down by geographical areas, is not applicable, as all assets, with the exception of those in Liechtenstein and Switzerland amounting to approx. EUR 22.9 million (py: approx. EUR 23.9 million), are located domestically. Additions to property, plant and equipment in Liechtenstein and Switzerland amount to approx. EUR 0.1 million (py: approx. EUR 0.3 million). See Note 4 for external revenue broken down into services.

34. Notes on the Cash Flow Statement

The cash flow statement shows the change in cash of the ÖBB-Infrastruktur 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. There were no changes in cash and cash equivalents due to exchange rate fluctuations.

In addition to cash and cash equivalents, the fund of cash and cash equivalents also consists of current receivables from and liabilities to ÖBB-Finanzierungsservice GmbH. There are current receivables from ÖBB-Finanzierungsservice GmbH (reported under cash and cash equivalents) amounting to approx. EUR 50.2 million (py: approx. EUR 25.6 million) as well as from derivative financial instruments amounting to approx. EUR 959.6 million (py: approx. EUR 293.5 million).

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 context in the amount of around EUR 104.6 million (py: approx. EUR 102.3 million) are also presented in the operating cash flow under changes in trade payables and other liabilities and accruals.

The significant non-cash transactions mainly relate to changes in former and current CBL transactions. The following 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, 2019	Changes with an effect of cash flow	Changes in exchange rates	Other changes in borrowed capital	Other changes in equity	As of Dec 31, 2020
Non-current liabilities						
Bonds	11,423.7	0.0	-4.4	-1,048.8	0.0	10,370.5
Liabilities to banks	3,872.6	-4.4	0.0	-2.4	0.0	3,865.7
Financial liabilities leasing	96.4	-0.3	1.6	-5.1	0.0	92.6
Other financial liabilities	3,880.4	1,839.6	0.0	92.2	-6.7	5,805.6
Total non-current liabilities	**19,273.1**	**1,834.9**	**-2.8**	**-964.1**	**-6.7**	**20,134.4**
Current financial liabilities						
Bonds	1,299.1	-1,300.0	0.0	1,051.0	0.0	1,050.1
Liabilities to banks	206.8	-202.6	0.0	2.6	0.0	6.9
Financial liabilities leasing	8.1	-7.9	0.0	8.1	0.0	8.3
Other financial liabilities	476.2	400.0	0.0	-248.2	0.0	628.0
Total excluding financial liabilities, which are part of cash and cash equivalents	**1,990.2**	**-1,110.5**	**0.0**	**813.5**	**0.0**	**1,693.3**

in EUR million	As of Dec 31, 2018	IFRS 16 changes as of Jan 01, 2019	Changes with an effect on cash flow	Changes in exchange rates	Other changes in borrowed capital	Other changes in equity	As of Dec 31, 2019
Non-current liabilities							
Bonds	12,720.5	0.0	0.0	0.9	-1,297.7	0.0	11,423.7
Liabilities to banks	3,979.5	0.0	95.8	0.0	-202.7	0.0	3,872.6
Financial liabilities leasing	65.3	84.7	0.0	0.0	-53.6	0.0	96.4
Other financial liabilities	1,775.6	0.0	2,231.2	0.0	-132.1	5.7	3,880.4
Total non-current liabilities	**18,540.9**	**84.7**	**2,327.0**	**0.9**	**-1,686.1**	**5.7**	**19,273.1**
Current financial liabilities							
Bonds	1,539.5	0.0	-1,540.0	0.0	1,299.6	0.0	1,299.1
Liabilities to banks	6.9	0.0	-2.9	0.0	202.8	0.0	206.8
Financial liabilities leasing	0.0	8.7	-8.7	0.0	8.1	0.0	8.1
Other financial liabilities	264.5	0.0	-7.0	0.0	218.7	0.0	476.2
Total excluding financial liabilities, which are part of cash and cash equivalents	**1,811.0**	**8.7**	**-1,558.6**	**0.0**	**1,729.2**	**0.0**	**1,990.2**

The decrease in liabilities related to active or terminated CBL transactions is also presented under other changes, as the payments are not processed through the bank accounts of the ÖBB-Infrastruktur Group. Income from the assets is instead transferred directly from the debtor to the creditor. This particularly affects leasing financial liabilities and other financial liabilities.

35. Group companies

The following tables provide information on the subsidiaries, associated companies, equity investments and other shares of the ÖBB-Infrastruktur Group as of 31.12.2020.

The following associated company became part of the ÖBB-Infrastruktur Group in the 2020 reporting year through the acquisition of 50% of the shares:

ÖBB-Infrastruktur Group	Country, registered office	Type of consolidation
Purchase		
50% LCA Logistik Center Austria Süd GmbH (Purchase November 2020)	A-9586 Fürnitz	E

The following is a list of those Group companies in which ÖBB-Infrastruktur AG held interests as of the balance sheet date, either directly or indirectly through other affiliated companies, or which were newly established in the current reporting year. The business object of the group companies is described in the footnotes a) to h). Any information marked with "py" relates to the previous year, otherwise the information relates to both years.

ÖBB-Infrastruktur Group	Country, registered office	Type of consolidation	
100% ÖBB-Infrastruktur Aktiengesellschaft	A-1020 Vienna	V	c)
├► 100% Austrian Rail Construction & Consulting GmbH	A-1020 Vienna	V0	f)
├► 100% Austrian Rail Construction & Consulting GmbH & Co KG	A-1020 Vienna	V0	f)
├► 100% Güterterminal Werndorf Projekt GmbH	A-1020 Vienna	V	d)
├► 100% Mungos Sicher & Sauber GmbH	A-1150 Vienna	V	e)
├► 100% Mungos Sicher & Sauber GmbH & Co KG	A-1150 Vienna	V	e)
├► 100% Netz- und Streckenentwicklung GmbH	A-1020 Vienna	V0	d)
├► 100% ÖBB-Güterzentrum Wien Süd Betriebsgesellschaft m.b.H.	A-1020 Vienna	V0	b)
├► 100% ÖBB-Immobilienmanagement Gesellschaft mbH	A-1020 Vienna	V	a)
├► 100% ÖBB-Projektentwicklung GmbH	A-1020 Vienna	V	b)
├► 100% ÖBB-Realitätenbeteiligungs GmbH & Co KG	A-1020 Vienna	V	b)
│ ├► 100% Elisabethstraße 7 Projektentwicklung GmbH & Co KG	A-1020 Vienna	V	b)
│ ├► 100% Elisabethstraße 9 Projektentwicklung GmbH & Co KG	A-1020 Vienna	V	b)
│ ├► 100% Gauermanngasse 2–4 Projektentwicklung GmbH & Co KG	A-1020 Vienna	V	b)
│ ├► 100% Mariannengasse 16–20 Projektentwicklung GmbH & Co KG	A-1020 Vienna	V	b)
│ └► 100% Operngasse 16 Projektentwicklung GmbH & Co KG	A-1020 Vienna	V	b)
├► 100% ÖBB-Stiftungs Management Gesellschaft mbH	A-1020 Vienna	V0	h)
├► 100% Rail Equipment GmbH	A-1040 Vienna	V	g)
├► 100% Rail Equipment GmbH & Co KG	A-1040 Vienna	V	g)
├► 51% WS Service GmbH	A-3151 St. Georgen am Steinfeld	V	c)
├► 50% LCA Logistik Center Austria Süd GmbH (Purchase Nov. 2020)	A-9586 Fürnitz	E	b)
├► 50% Galleria di Base del Brennero – Brenner Basistunnel BBT SE	I-39100 Bozen	E	c)
├► 43,05% Weichenwerk Wörth GmbH	A-3151 St. Georgen am Steinfeld	E	c)
├► 27,74% (31.12.2020: 25%) Breitspur Planungsgesellschaft mbH (increase of the shares in January 2021)	A-1010 Vienna	E	d)
├► 8% HIT Rail B.V.	NL-3500 HA Utrecht	0	n/a
├► partnership UIRR s.c.r.l. (Internationale Vereinigung für den Kombinierten Verkehr Schiene-Straße)	B-1000 Brussels	0	n/a
└► partnership Tiefgarage Stuben Gesellschaft m.b.H. & Co. KG	A-6762 Stuben/Arlberg	0	n/a

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)
0	other investee company
n/a	not applicable

Note on the business object of the Group companies:

a) Management, administration and use of property.
b) Project development and use of real estate.
c) Planning and construction (including replacement investments, insofar as these extend beyond maintenance or repair) of rail infrastructure as well as planning and construction of related projects and project components and the provision of rail infrastructure.
d) Optimisation and harmonisation of infrastructure planning and development.
e) Cleaning or specialised cleaning (e.g. graffiti removal) of railway stations as well as security and services.
f) Research and development, especially in connection with rail infrastructure.
g) Procurement, purchasing, financing, maintenance and group-wide leasing of rail-bound special and road vehicles.
h) vocational education and training.

In 2019, the companies Businesscenter Linz Entwicklungs- und Verwertungs GmbH & Co KG, Europaplatz 1 Projektentwicklung GmbH & Co KG and Modul Office Hauptbahnhof Graz GmbH & Co KG were deleted from the commercial register.

The equity and net profit for the year of those Group companies that are not included in the consolidated financial statements and in which at least 20% of the shares are held are presented in the following. The information on equity and the annual result was taken from the annual financial statements in accordance with the respective national accounting law;

		Shareholders' equity in TEUR		Profit or loss in TEUR	
ÖBB-Infrastruktur Group		Dec 31, 2020	Dec 31, 2019	2020	2019
100%	Austrian Rail Construction & Consulting GmbH	137	138	0	0
100%	Austrian Rail Construction & Consulting GmbH & Co KG	208	208	-2	-2
100%	Netz- und Streckenentwicklung GmbH	83	89	-6	-6
100%	ÖBB-Güterzentrum Wien Süd Betriebsgesellschaft m.b.H.	23	26	-4	-3
100%	ÖBB-Stiftungs Management Gesellschaft mbH	72	72	0	0

36. Events after the reporting date

An important decision in favour of ÖBB-Infrastruktur AG was made by Schienen-Control GmbH (SCK) with the first partial decision on station charges dated 12.01.2021. The partial decision covers the station charges of the product catalogues 2012 to 26.11.2015 and covers the legal situation before the entry into force of the EisbG amendment BGBl I 137/15 (the transposition of Directive 2012/34/EU into national law; allocation of passenger platforms to the minimum access package). The period from 27.11.2015 is to be assessed on the basis of the new legal position. The regulatory authority sees the need for further investigative steps in this regard. This situation would have an impact on the item Other Provisions.

Regulation (EU) 2020/1429 provides member states with the possibility to allow infrastructure managers to reduce, waive or defer charges for access to railway infrastructure in order to address the negative economic consequences of the COVID 19 pandemic and to support railway undertakings. Delegated Regulation (EU) 2020/2180 of the European Commission dated 18.12.2020 extended the reference period from 01.03.2020 to 31.12.2020 so that this regulation now applies until 30.06.2021. The Federal Ministry of Transport, Building and Urban Affairs (BMK) authorises ÖBB-Infrastruktur AG on the basis of this ordinance to apply the suspension of infrastructure charges (direct costs and market surcharges) for the market segments 1) manipulated freight transport (combined transport and single-wagon transport), 2) non-manipulated freight transport and 3) own-account passenger transport.

Three financing agreements dated 21.01.2021 were concluded between ÖBB-Infrastruktur AG and the Republic of Austria via the Austrian Federal Financing Agency (ÖBFA) with a total nominal value of approximately EUR 552.0 million and terms of two and a half, six and 30 years respectively.

The Board of Management of ÖBB-Infrastruktur AG released the audited consolidated financial statements as of 31.12.2020 for forwarding to the Supervisory Board on 22.03.2021. The Board of Management proposes to carry forward the retained earnings of ÖBB-Infrastruktur AG amounting to EUR 256,224,065.54.

37. Executive bodies of the parent company of the ÖBB Group

In the financial year 2020 (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-Infrastruktur AG:

Members of the Board of Management

Mag.[a] Silvia Angelo
Dipl.-Ing. Franz Bauer
Dipl.-Ing. Dr. Johann Pluy

Members of the Supervisory Board

Dipl.-Ing. Herbert Kasser		Chairman (from 10.06.2020) 1st Deputy Chairman (until 05.06.2020)
Mag. Arnold Schiefer		1. Vice chair to the chairperson (from 10.06.2020) Chairwoman (until 05.06.2020)
Mag.[a] Iris Appiano-Kugler	from 05.06.2020	2. vice chair to the chairperson (from 10.06.2020)
Dipl.-Ing.[in] Claudia Nutz	from 05.06.2020	
Mag.[a] Waltraud Schmid	from 05.06.2020	
Mag. Georg Schöppl	from 05.06.2020	
Lic.iur. Philippe Gauderon	until 05.06.2020	
Mag.[a] Ilse Groiß	until 05.06.2020	
Mag.[a] Eva Hieblinger-Schütz	until 05.06.2020	
Dr.[in] Barbara Kolm	until 05.06.2020	
Günter Blumthaler		Employee representative
Karl Ochsner		Employee representative
Peter Dyduch		Employee representative

Vienna, dated 22.03.2021

The Board of Management

Mag.[a] Silvia Angelo (Finance, Market, Service Division)	Dipl.-Ing. Franz Bauer (Infrastructure Facilities Provision Division)	Dipl.-Ing. Dr. Johann Pluy (Operations and Systems Division)

Auditor's Report*

Report on the Consolidated Financial Statements

Audit Opinion

We have audited the consolidated financial statements of **ÖBB-Infrastruktur Aktiengesellschaft, Vienna,** and of its subsidiaries (the Group) comprising the consolidated statement of financial position as of December 31, 2020, the consolidated statement of 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, 2020 and cashflows and its financial performance for the year then ended in accordance with the International Financial Reportings Standards (IFRS) 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 the regulation (EU) no. 537/2014 (in the following "EU regulation") and 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the fiscal year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In the following, we present the key audit matter that we consider to be of particular importance:

Differentiation between mandatory capitalized investments and maintenance costs immediately recognized as expenses

Description / Risk:	**Addressing in the scope of the audit of the consolidated financial statements:**
ÖBB-Infrastruktur Aktiengesellschaft invests more than two billion euros annually in the Austrian rail network on behalf of the federal government. In addition to capital expenditure for the construction of new railway infrastructure, the Company also incurs significant expenditures for the renewal and maintenance of the existing infrastructure. While measures classified as capital expenditure are capitalized and are thus expensed over several years by way of depreciation, maintenance and repair measures are recognized immediately as expense in the results for the period. As is the case with all large infrastructure companies, the distinction between capital expenditure and maintenance measures and their accurate recognition in the annual financial statements of ÖBB-Infrastruktur Aktiengesellschaft is of particular importance. Differentiation or classification problems can arise, particularly in the case of measures that relate to existing infrastructure. The information on the accounting principles are included in the Notes to the Consolidated Financial Statements in section "3. Summary of significant accounting policies, property, plant and equipment". Information on the maintenance and repair payments expensed in the financial year can be found in the Notes in section "B. Notes to the Consolidated Statement of Financial Position and the Consolidated Income Statement, 7. Cost of materials and purchased services".	Our audit procedures included, among related matters, the following: As this is an initial audit, we have reviewed prior year documentation and tested the adequacy of the opening balances. As part of our audit activities we gained an understanding of the relevant process and the main key controls relating to the correct categorization and accounting recognition of capital investments and maintenance costs immediately recognized as expenses, estimated the conception and configuration of the controls in the process, and tested the effectiveness of selected key controls in the process ("functional testing"). This particularly relates to key controls on the occasion of the initiation of orders in the SAP system. We also interviewed the ICS controllowner and ICS testers who independently perform downstream controls in the field of property, plant and equipment, gained an understanding of their activities and evaluated their competence and professional quality. We have examined the internal accounting policies ("Capitalization Manual") with regard to compliance with the accounting and valuation principles according to IFRS. Based on the results of the functional audits, we tested based on a sample of additions to property, plant and equipment, as well as based on a selected sample of significant new projects (both capital and maintenance contracts) the correct recognition as addition to property, plant and equipment or expenditure in accordance with the internal accounting policy ("Capitalization Manual"). The sample of significant projects was selected using random sampling and based on defined risk criteria, taking into account the size of the project. The audit procedures included, in particular, the review of project descriptions, the discussion of project contents with the project managers and project controllers and, derived from this, the assessment of the accounting decisions made. Where required, we also examined billing and contract documents for the projects included in the sample.

Assessment and measurement of provisions for regulatory proceedings

Description / Risk:	**Addressing in the scope of the audit of the consolidated financial statements:**
As of December 31, 2020, several regulatory proceedings are in progress. These proceedings, which are at various stages in the procedural process, relate to the years 2011 to 2020 and deal primarily with issues relating to the calculation and determination of infrastructure usage charge for passenger transport (from December 2011 until December, 2017), charges under the new track access charge model for the period December 2019 to December 2020 (related to the service "train routes" with regard to directly attributable costs and legally compliant market mark-ups) and the permissibility of charging a "platform edge factor" as a separate fee component for the use of service facilities from December 2011 until 2020. The outcome of the pending proceedings may lead to a change in the fees charged to date, resulting in a reimbursement obligation on the part of ÖBB-Infrastruktur Aktiengesellschaft. These risks are assessed individually for each case or process with the involvement of experts and accounted for in the form of provisions. The accounting for and measurement of these provisions for regulatory proceedings are of particular significance in our audit, as the amounts are material, the measurement is complex and requires significant judgments. The requirement for and the amount of these provisions are essentially dependent on management's assumption 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 recognized costs and market markups as a basis for charging tariffs for the use of rail infrastructure. The corresponding disclosures by ÖBB-Infrastruktur Aktiengesellschaft on provisions for regulatory proceedings can be found in the notes under "3. Summary of significant accounting policies, Use of estimates and judgments, c. Provisions" and "B. Notes to the Consolidated Statement of Financial Position and Consolidated Income Statement, 26. 2. Other provisions".	We have scrutinized and audited the management's assessment of the recognition and amount of provisions. Our audit procedures included, among others, the following: As this is an initial audit, we reviewed prior year documentation including external legal letters and assessed the adequacy of the opening balances. We surveyed the process concerning the recognition and measurement of provisions for regulatory proceedings and assessed the conception and configuration of controls in the process. As part of our audit we examined the legal and data bases used for forming the provisions and assessed the appropriateness of the premises used for the measurement on this basis. For this purpose we also specifically discussed the status of the proceedings, including the latest developments in 2020, with the management, with the employees in the specialist department responsible and with the lawyers consulted. We also examined the expert report prepared by the Railway ControlCommission within the course of the proceedings and assessed the conclusions by the company derived from this. We retraced the calculation mechanism for the provisions using the detailed measurement parameters. In calculating the provision, the Company takes into account, in particular, externally prepared expert opinions and legal opinions from external lawyers. We obtained these as part of the audit and assured ourselves that their findings were appropriate and that their work was adequate for our purposes. We also obtained an impression of their competence, skills and objectivity. Finally, we monitored developments after the year end date up to the time of issuing the auditor's report by interviewing the Management Board and employees of the department. We have assessed the adequacy of the disclosures in the notes on the measurement and recognition of these provisions.

Other Matter Paragraph

The group financial statements of ÖBB-Infrastruktur Aktiengesellschaft for the year ended December 31, 2019 were audited by another group auditor who expressed an unmodified opinion on those consolidated statements on March 20, 2020.

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 and of the 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

Unsere 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 the EU regulation and 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 the EU regulation and 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.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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.

Regarding the consolidated non-financial statement contained in the group management report, it is our responsibility to examine whether it has been prepared, to read it and to evaluate whether it is, based on our knowledge obtained in the audit, materially inconsistent with the consolidated financial statements or otherwise appears to be materially misstated.

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, comprising the details in accordance with Section 243a Austrian Company Code UGB, 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.

Additional information in accordance with article 10 EU regulation

We were elected as auditor by the ordinary general meeting at December 16, 2019. We were appointed

by the Supervisory Board on November 9, 2020. We were elected as auditor for the first time for the 2020 fiscal year.

We confirm that the audit opinion in the Section "Report on the consolidated financial statements" is consistent with the additional report to the audit committee referred to in article 11 of the EU regulation.

We declare that no prohibited non-audit services (article 5 par. 1 of the EU regulation) were provided by us and that we remained independent of the audited company in conducting the audit.

Responsible Austrian Certified Public Accountant

The engagement partner is Christoph Harreither, Certified Public Accountant.

Vienna, March 22, 2021

Ernst & Young

Wirtschaftsprüfungsgesellschaft m.b.H.

Mag. Christoph Harreither mp	ppa Mag. Victoria Scherich mp
Wirtschaftsprüfer / Certified Public Accountant	Wirtschaftsprüferin / Certified Public Accountant

* This report is a translation of the original report in German, which is solely valid.

Site Notice

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Disclaimer
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 (implemented with the support of fi esys GmbH) is only available in electronic format: **infrastruktur.oebb.at/gb2020**

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ÖBB Customer Service
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