



SECOND PARTY OPINION (SPO)

Sustainability Quality of the Issuer and Sustainable Finance Framework

Österreichische Bundesbahnen (ÖBB)-Holding AG
28 July 2023

VERIFICATION PARAMETERS

Type(s) of instruments contemplated

- Green Financial Instruments

Relevant standards

- Green Bond Principles, as administered by the ICMA (as of June 2021 with June 2022 Appendix)
- Green Loan Principles, as administered by the LMA (as of February 2023)
- Sustainability-Linked Bond Principles, as administered by the ICMA (as of June 2020)
- Sustainability-Linked Loan Principles, as administered by the LMA (as of February 2023)

Scope of verification

- ÖBB Group Sustainable Finance Framework (as of June 14, 2023)
- ÖBB Group selection criteria (as of June 14, 2023)

Lifecycle

- Pre-issuance verification

Validity

- Valid as long as the cited Framework remains unchanged

CONTENTS

SCOPE OF WORK	3
ÖBB GROUP BUSINESS OVERVIEW	3
ASSESSMENT SUMMARY	4
SPO ASSESSMENT.....	7
PART I.A: ALIGNMENT WITH ICMA GREEN BOND PRINCIPLES AND GREEN LOAN PRINCIPLES	7
PART I.B: ALIGNMENT WITH ICMA SUSTAINABILITY-LINKED BOND PRINCIPLES AND LMA SUSTAINABILITY-LINKED LOAN PRINCIPLES.....	9
PART II: SUSTAINABILITY QUALITY OF THE ISSUANCE	10
A. CONTRIBUTION OF THE GREEN FINANCIAL INSTRUMENTS TO THE UN SDGs	10
B. MANAGEMENT OF ENVIRONMENTAL & SOCIAL RISKS ASSOCIATED WITH THE SELECTION CRITERIA.....	12
PART III: KPI SELECTION & SPT CALIBRATION	14
PART IV: LINKING THE TRANSACTIONS TO ÖBB GROUP'S ESG PROFILE.....	85
A. CONSISTENCY OF GREEN FINANCIAL INSTRUMENTS WITH ÖBB'S SUSTAINABILITY STRATEGY	85
B. ÖBB'S BUSINESS EXPOSURE TO ESG RISKS	87
ANNEX 1: Methodology	93
ANNEX 2: Quality management processes	95
About this SPO	96

SCOPE OF WORK

Österreichische Bundesbahnen-Holding AG (“the Issuer”, “the Company”, “ÖBB Group” or “ÖBB”) commissioned ISS Corporate Solutions (ICS) to assist with its Green Financial Instruments by assessing four core elements to determine the sustainability quality of the instruments:

1. ÖBB Group’s Sustainable Finance Framework (as of June 14, 2023) – benchmarked against the International Capital Market Association’s (ICMA) Green Bond Principles (GBP) and Loan Market Association’s (LMA), Green Loan Principles (GLP), Sustainability-Linked Bond Principles (SLBP) and the Sustainability-Linked Loan Principles (SLLP)
2. The selection criteria – whether the project categories contribute positively to the UN SDGs and how they perform against proprietary issuance-specific key performance indicators (KPIs) (See Annex 1).
3. The sustainability credibility of the Key Performance Indicators (KPI) selected, and Sustainability Performance Targets (SPT) calibrated – whether the KPIs selected are core, relevant and material to the Issuer’s business model and industry, and whether the associated targets are ambitious.
4. Linking the transactions to ÖBB Group’s overall ESG profile – drawing on the issuance-specific Use of Proceeds categories.

ÖBB GROUP BUSINESS OVERVIEW

Österreichische Bundesbahnen-Holding AG (ÖBB-Holding AG) engages in the holding and management of participations in companies of the ÖBB Group. With a majority of its operations in Austria, it provides infrastructure, mobility services (passenger and freight transportation), and logistics services through its subsidiaries (ÖBB-Infrastruktur AG, ÖBB-Personenverkehr AG, Rail Cargo Austria AG, Österreichische Postbus AG, ÖBB-Technische Services-GmbH, ÖBB-Produktion GmbH, Rail Equipment GmbH & Co KG, etc). ÖBB Holding group’s total revenues in 2021 were EUR 6,986.3 million.

ÖBB is classified in the Rail Transportation industry, as per ISS ESG’s sector classification.

ASSESSMENT SUMMARY

SPO SECTION	SUMMARY	EVALUATION ¹
Part 1.A: Alignment with GBP/GLP	The Issuer has defined a formal concept for its Green Bonds regarding use of proceeds, processes for project evaluation and selection, management of proceeds and reporting. This concept is in line with the ICMA Green Bond Principles and LMA Green Loan Principles.	Aligned
Part 1.B: Alignment with SLBP/SLLP	The Framework is in line with the Sustainability-Linked Bond Principles (SLBP) administered by the ICMA and the Sustainability-Linked Loan Principles (SLLP) administered by the LMA, except for limited evidence to calibrate SPTs 1.2 & 1.4, and SPTs 3.1 to 3.6.	Aligned, except for limited evidence to calibrate SPTs 3.1 to 3.6
Part 2: Sustainability quality of the Selection Criteria	<p>The Green Bonds/Loans will (re-)finance eligible asset categories which include: Clean Transportation.</p> <p>The Clean transportation use of proceed category improves the Company's operational impacts and mitigate potential negative externalities of the Issuer's sector on SDGs 7 'Affordable and clean energy' and SDG 13 'Climate action'.</p> <p>With regards to the UoP sub-categories (within Clean Transportation) for which the EU Taxonomy assessment (on the Do No Significant Harm Criteria and Minimum Safeguards) has not been performed, the environmental and social risks are well managed.</p>	Positive
Part 3: KPI Selection and SPT Calibration	Please refer to Assessment Summary – KPI Selection and SPT Calibration section	
Part 4: Linking the transactions to ÖBB Group's overall ESG profile	<p>The key sustainability objectives and the rationale for issuing Green and Sustainability-Linked Bonds/Loans are clearly described by the Issuer. The financed project categories are in line with the sustainability objectives of the Issuer.</p> <p>The KPIs selected by the Issuer are related to climate protection, pollution prevention, and labor standards. KPI 1 and 4 focus on decarbonization targets and sustainability which are defined as a top priority for the Company in their Climate Protection Strategy 2030. KPI 2 and 3 focus on labor standards and working</p>	Consistent with Issuer's sustainability strategy

¹ The evaluation is based on the ÖBB Group's Sustainable Finance Framework (as of June 14, 2023) and on the ISS ESG Indicative Corporate Rating and applicable at the SPO delivery date.

conditions, and on how to improve the gender balance as well as the health and safety amongst the Group's subsidiaries.

At the date of publication of the report and leveraging ISS ESG Research, no severe controversies have been identified.

Assessment Summary – KPI Selection and SPT Calibration

KPI Selection	Relevant	Core	Material	Assessment
KPI 1.1	Relevant	Core	Partially Material	Aligned
KPI 1.2	Relevant	Core	Moderately Material	
KPI 1.3	Relevant	Core	Moderately Material	
KPI 1.4	Relevant	Core	Partially Material	
KPI 1.5	Relevant	Core	Moderately Material	
KPI 2	Relevant	Core	Material	Best Practice
KPI 3	Relevant	Core	Partially Material	Aligned
KPI 4	Relevant	Core	Moderately Material	Aligned

SPT Calibration	Against Issuer's past performance	Against Issuer's industry peer group	Against international targets	Level of ambition
SPT 1.1	qualitatively ambitious		ambitious against industry standard	Good
SPT 1.2	not ambitious		limited information	limited
SPT 1.3	qualitatively ambitious	ambitious, based on limited evidence	limited information	Good
SPT 1.4	not ambitious		limited information	limited
SPT 1.5	qualitatively ambitious		limited information	Good
SPT 2.1	ambitious			
SPT 2.2	qualitatively ambitious			Good
SPT 2.3	ambitious	ambitious	limited information	Good
SPT 2.4	ambitious			Good
SPT 2.5	ambitious			Good
SPT 2.6	ambitious			Good
SPT 3.1	not ambitious			limited
SPT 3.2	not ambitious			limited
SPT 3.3	not ambitious	ambitious	limited information	limited
SPT 3.4	not ambitious			limited
SPT 3.5	not ambitious			limited
SPT 3.6	not ambitious			limited
SPT 4.1	qualitatively ambitious			Good
SPT 4.2	qualitatively ambitious			Good
SPT 4.3	qualitatively ambitious	ambitious	limited information	Good
SPT 4.4	qualitatively ambitious			Good
SPT 4.5	qualitatively ambitious			Good

SPO ASSESSMENT

PART I.A: ALIGNMENT WITH ICMA GREEN BOND PRINCIPLES AND GREEN LOAN PRINCIPLES

This section evaluates the alignment of the ÖBB Group's Sustainable Finance Framework (as of June 14, 2023) with the ICMA Green Bond Principles and the LMA Green Loan Principles.

ICMA GREEN BOND PRINCIPLES 2021 (WITH JUNE 2022 APPENDIX I) AND LMA GREEN LOAN PRINCIPLES 2023	ALIGNMENT	OPINION
<p>1. Use of Proceeds</p>	<p>✓</p>	<p>The Use of Proceeds description provided by ÖBB Group's Sustainable Finance Framework is aligned with the ICMA Green Bond Principles and LMA Green Loan Principles.</p> <p>The Issuer's green categories align with the project categories as proposed by the ICMA Green Bond Principles and LMA Green Loan Principles criteria and are defined in a clear and transparent manner. Disclosure of distribution of proceeds by project category is provided and environmental benefits are described.</p> <p>The Issuer defines a look-back period of two years and exclusion criteria for harmful projects categories, in line with best market practice.</p>
<p>2. Process for Project Evaluation and Selection</p>	<p>✓</p>	<p>The Process for Project Evaluation and Selection description provided by ÖBB Group's Sustainable Finance Framework is aligned with the ICMA Green Bond Principles and LMA Green Loan Principles.</p> <p>The project selection process is defined and structured in a congruous manner. ESG risks associated with the project categories are identified and managed through an appropriate process. Moreover, the projects selected show alignment with the sustainability strategy of the Issuer.</p> <p>The Issuer involves various stakeholders in this process and identifies alignment of their Sustainable Finance Framework and their green projects with official or market-wide taxonomies and references any green standards or certifications used, in line with best marked practice.</p>

<p>3. Management of Proceeds</p>	<p>✓</p>	<p>The Management of Proceeds proposed by ÖBB Group’s Sustainable Finance Framework is aligned with the ICMA Green Bond Principles and LMA Green Loan Principles.</p> <p>The net proceeds collected will be equal to the amount allocated to eligible projects, with no exceptions. The net proceeds are tracked in an appropriate manner and attested in a formal internal process. The net proceeds are managed on an aggregated basis for multiple Green Bonds/Loans (portfolio approach). Moreover, the Issuer discloses the temporary investment instruments for unallocated proceeds.</p>
<p>4. Reporting</p>	<p>✓</p>	<p>The allocation and impact reporting proposed by ÖBB Group’s Sustainable Finance Framework is aligned with the ICMA Green Bond Principles and LMA Green Loan Principles. The Issuer commits to disclose the allocation of proceeds transparently and to report in an appropriate frequency. The reporting will be publicly available on the Issuer’s website. ÖBB Group explains the level of expected reporting and the type of information that will be reported. Moreover, the Issuer commits to report annually, until the proceeds have been fully allocated.</p> <p>The Issuer is transparent on the information reported, frequency, scope, duration and level of impact reporting, in line with best market practice.</p>

PART I.B: ALIGNMENT WITH ICMA SUSTAINABILITY-LINKED BOND PRINCIPLES AND LMA SUSTAINABILITY-LINKED LOAN PRINCIPLES

This section describes our assessment of the alignment of ÖBB Group's Sustainable Finance Framework (as of June 14, 2023) with the Sustainability-Linked Bond Principles (SLBP) and the Sustainability-Linked Loan Principles (SLLP).

SLB/SLL PRINCIPLES	ASSESSMENT	OPINION
1. Selection of KPIs		A detailed analysis of the sustainability credibility of the KPI selection is available in Part 2 of this report.
2. Calibration of SPTs		A detailed analysis of the sustainability credibility of the SPT calibration is available in Part 2 of this report. ÖBB also set annual targets for all KPIs.
3. Bond/Loan Characteristics	✓	The description of the Sustainability-Linked Bond/Loan Characteristics provided by the Issuer is aligned with the SLBP and SLLP. The financial characteristics of any security issued under this Framework, including a description of the selected KPI(s), SPTs, step-up margin amount or the premium payment amount, as applicable, will be specified in the relevant documentation of the specific transaction.
4. Reporting	✓	The Reporting description provided by the Issuer is aligned with the SLBP and SLLP. This will be made available annually to investors and include valuable information, such as updates to ÖBB's sustainability strategy or more recent announcements, strategic decisions and funds mobilized that could impact the achievement of the SPTs, as well as explanations of the contribution of the most important factors to the performance of the KPIs. If applicable, it will also include the reassessment of KPIs and/or reassessment of SPTs.
5. External verification	✓	The Verification description provided by the Issuer is aligned with the SLBP and SLLP. This report constitutes the SPO. The performance of the SPTs against the KPIs will be externally verified with limited assurance annually until the targets are reached.

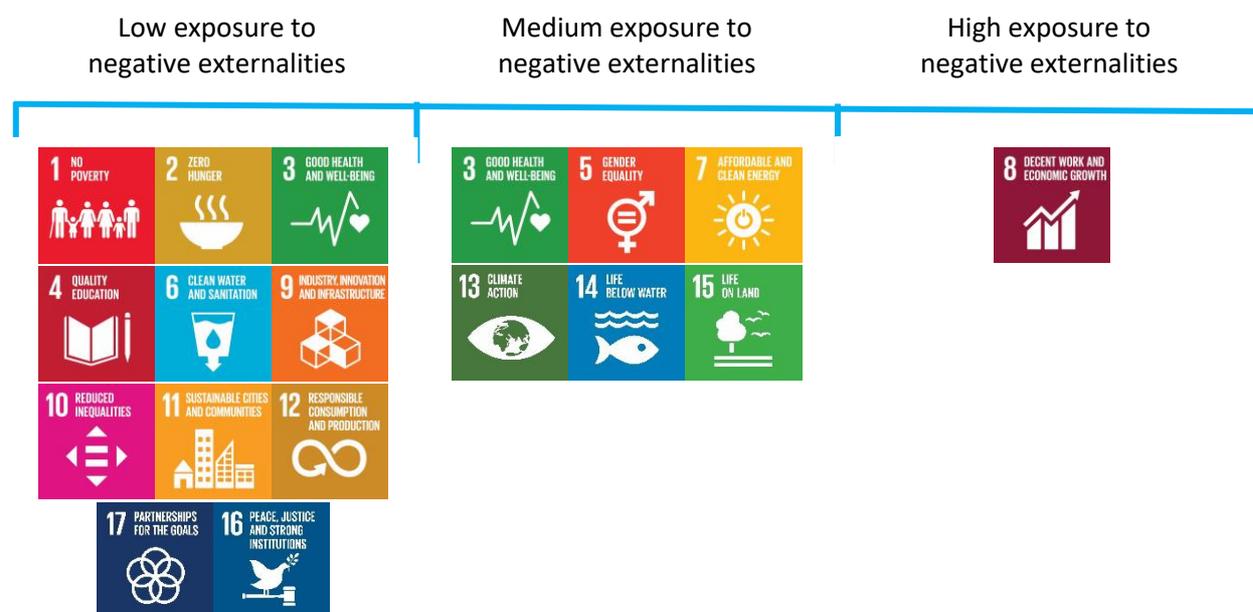
PART II: SUSTAINABILITY QUALITY OF THE ISSUANCE

A. CONTRIBUTION OF THE GREEN FINANCIAL INSTRUMENTS TO THE UN SDGs²

Companies can contribute to the achievement of the SDGs by providing specific services/products which help address global sustainability challenges, and by being responsible corporate actors, working to minimize negative externalities in their operations along the entire value chain.

The below assessment aims at qualifying the direction of change (or “operational impact improvement”) resulting from the operational performance projects (re)financed by the UoP categories, as well as related UN SDGs impacted. The assessment displays how the UoP categories are mitigating the exposure to the negative externalities relevant to the business model and the sector of the Issuer.

According to ISS ESG SDG Impact Rating methodology, potential impacts on the SDGs related to negative operational externalities³ in the Rail Transportation industry (to which ÖBB Group belongs) are the following:



The table below aims at displaying the direction of change resulting from the operational performance improvement projects. The outcome displayed does not correspond to an absolute or net assessment of the operational performance.

² The impact of the UoP categories on UN Social Development Goals is assessed with proprietary methodology and may therefore differ from the Issuer's description in the framework.

³ Please, note that the impact of the Issuer's products and services resulting from operations and processes is displayed in section 3 of the SPO.

USE OF PROCEEDS (PROCESSES) ⁴	OPERATIONAL IMPACT IMPROVEMENT ⁵	SUSTAINABLE DEVELOPMENT GOALS
ÖBB-Personenverkehr AG		
Clean Transportation		
<p><i>Renewal, conversion and expansion of rail vehicles:</i></p> <ul style="list-style-type: none"> ▪ Acquisition and modernization of railcars/passenger coaches ▪ Vehicle installations and conversions ▪ Major repairs ▪ Safety-related investments 	✓	 
Rail Cargo Austria AG		
Clean Transportation		
<p><i>Renovation, conversion and expansion of rail vehicles, digitization and IT modernization:</i></p> <ul style="list-style-type: none"> ▪ Acquisition and modernization of freight wagons (not for transport of fossil fuels) ▪ IT projects/software/licenses/cloud services 	✓	 
Österreichische Postbus AG		
Clean Transportation		
<p><i>Renovation and conversion of buses and expansion of vehicle maintenance, digitization and IT modernization:</i></p> <ul style="list-style-type: none"> ▪ Electric/hydrogen buses ▪ Digital assistants for Postbus drivers ▪ Improvement/expansion of digital booking systems for customers/IT projects 	✓	 
ÖBB-Technische Services-GmbH		
Clean Transportation		
<p><i>Renewal of vehicle maintenance facilities:</i></p> <ul style="list-style-type: none"> ▪ New construction and modernization of maintenance halls ▪ Purchase of maintenance machines/technology 	✓	 
ÖBB-Produktion GmbH		
Clean Transportation		
<p><i>Renewal, conversion and expansion of rail vehicles and safety/operational management systems:</i></p> <ul style="list-style-type: none"> ▪ Acquisition and modernization of traction units/train control systems/braking systems 	✓	 
Rail Equipment GmbH & Co KG		
Clean Transportation		
<p><i>Renewals, retrofitting and expansion of rolling stock:</i></p> <ul style="list-style-type: none"> ▪ Acquisition of maintenance and rescue trains 	✓	 

⁴ The review is limited to the examples of projects spelled out in the Framework.

⁵ Limited information is available on the scale of the improvement as no threshold is provided. Only the direction of change is displayed.

B. MANAGEMENT OF ENVIRONMENTAL & SOCIAL RISKS ASSOCIATED WITH THE SELECTION CRITERIA

Clean Transportation

The table below evaluates the Selection Criteria against issuance specific KPIs. The vast majority of assets are/will be located in Austria, with the remaining assets to be located in Bulgaria, Croatia, Czechia, Germany, Hungary, Italy, Poland, Romania, Slovenia.

ASSESSMENT AGAINST KPIs

Environmental aspects of construction (or production) and operations

- The Issuer does not have measures ensuring that comprehensive life-cycle-assessments are conducted for the assets financed under this framework.
- ✓ The Issuer has measures to ensure that its assets meet high environmental standards and requirements during the construction phase. In Austria, there are applicable laws mitigating the impact on neighbors, notably on noise mitigation and vibrations during construction phase.
- The Issuer does not apply sufficient measures to ensure high environmental standards and requirements during the construction phase in the supply chain. ÖBB introduced a mandatory Code of Conduct for suppliers, with sections about environmental and climate protection; however, these sections do not provide clear guidelines and minimum requirements for suppliers on meeting high environmental standards and requirements during the construction phase (environmental management system, resource efficiency).
- ✓ The Issuer implements both infrastructure measures and vehicle side measures to avoid transport-related noise emissions. These measures include, for railways, the construction of noise barriers and dams, implementation of the requirements of the TSI Noise in Austria, and measures to minimize shocks and vibrations on the infrastructure side; and research and development, complete equipping of ÖBB existing freights wagons in operation with low-noise brake, and noise reduction in rail operations through targeted training of employees on the vehicle side. Projects related with road mass transport (bus, sponsored by Österreichische Postbus AG) do not present sufficient noise mitigation measures.
- ✓ Individual subsidiaries of the Issuer are ISO 14000 certified. ÖBB-Technische Services-GmbH is also EMAS certified.

On-site safety

- The Issuer does not provide sufficient measures to ensure health and safety for both passengers and operators. ÖBB has measures in place to protect customers and employees against criminal activities and provides training to its employees and contractors on on-site safety. However, there is no information on guidelines, trainings, specific emergency systems, technical systems to ensure safe driving, rest facilities, computer-based fatigue systems, and on board security personnel on topics such as duration of shifts or fatigue management

for rail transport projects. For road transport projects, there is no information on guidelines, trainings, and technical systems to ensure safe driving on topics as robbery, passenger aggression, road accidents.

Labour, Health & Safety



The vast majority of assets financed will be located in Austria, where high health & safety and labour standards are ensured by the relevant national legislation and the European Union mandatory social standards. In the other countries where ÖBB operates, high labor and health & safety standards are generally ensured.



The Issuer introduced a mandatory Code of Conduct for suppliers, with focus on labor rights, human rights, health and safety, and diversity and equality. In particular, the Code of Conduct promotes quality and fair treatment of employees, rejects all forms of modern slavery, forced labor, human trafficking and restrictions on personal freedom.

Data protection and information security



The Issuer has set up a comprehensive data protection management system (DSMS) based on the international standard ISO/IEC 27001, relevant for the IT projects under this framework. ÖBB's providers must comply with an extensive catalog of requirements with regard to architecture, information security and data protection. Moreover, the Group-internal IT service provider, Business Competence Center GmbH, is certified to ISO 27001.

PART III: KPI SELECTION & SPT CALIBRATION

Selection of KPI 1.1 - ÖBB-Personenverkehr AG

KPI 1.1 is defined as 'intensity Scope 1 and 2 CO ₂ e emissions of ÖBB-Personenverkehr AG per passenger-km (grams of CO ₂ e/passenger-km)'							
Opinion	<i>The KPI is relevant, moderately core and partially material to the Issuing subsidiary's overall business. It is appropriately measurable, quantifiable, externally verifiable, verified and benchmarkable with limitations. It covers an estimated 72%⁶ of Scope 1 and 2 GHG emissions of ÖBB-Personenverkehr AG.</i>						
Assessment	<table border="1"> <thead> <tr> <th>Not aligned</th> <th>Aligned</th> <th>Best Practice</th> </tr> </thead> <tbody> <tr> <td></td> <td style="background-color: #92d050;"></td> <td></td> </tr> </tbody> </table>	Not aligned	Aligned	Best Practice			
Not aligned	Aligned	Best Practice					
KPI 1.1 Characteristics and Features	<p>KPI definition: The ÖBB-Personenverkehr AG subgroup is responsible for the conception and implementation of the offer, the coordination of service creation processes, the marketing, and sales as well as the financing of the passenger transport services. ÖBB-Personenverkehr AG is the largest provider for passenger mobility on rails and on the bus market in Austria. KPI 1.1 is defined as intensity Scope 1 and 2 CO₂ e emissions of ÖBB-Personenverkehr AG per passenger-km (grams of CO₂ e/passenger-km)</p> <p>Scope and perimeter: The KPI scope and perimeter are defined as it covers all mobility emissions (excl. refrigerants and internal traffic) which is a portion of total Scope 1 and 2 GHG emissions of ÖBB-Personenverkehr AG. Emissions related to refrigerant quantities and internal traffic are excluded. ÖBB-Personenverkehr AG have not yet computed their Scope 3 GHG emissions. Therefore, there is limited information to calculate the share of total emissions from ÖBB-Personenverkehr AG KPI 1.1 covers.</p> <p>Quantifiable/Externally verifiable: The KPI is quantifiable, since it is calculated as "Total Scope 1 and 2 CO₂ e emissions/kilometers traveled multiplied by the number of travelers". It is externally verifiable because CO₂ e emissions per passenger-km KPI is widely disclosed in the market. The Issuing subsidiary refers to key reporting and calculation methodology, especially the emissions factors calculated annually by the Austrian Federal Environment Agency (Umweltbundesamt) which uses the GHG Protocol as a methodology for calculation.</p> <p>Externally verified: The group's sustainability report is verified by an external party since 2019. The historical and baseline data for the KPI are, thus, verified indirectly as well. Starting in 2023, the Issuing subsidiary commits to having the KPI future data explicitly verified by an external reviewer as well.</p>						

⁶Emissions related to refrigerant quantities and internal traffic are excluded, as well as emissions related to buildings (e.g., power, heat, cold, refrigerant). Here emissions related to buildings are estimated with a proxy provided by ÖBB Group (e.g., emissions related to buildings represents circa 18 % of overall Scope 1 and 2 GHG emissions) and reintegrated to Scope 1 and 2 GHG emissions of the Issuing subsidiary.

	Benchmarkable:	ÖBB's GHG balance and specifically Scope 1 and 2 CO ₂ e emissions of ÖBB-Personenverkehr AG is calculated annually by the Federal Environment Agency, and their methodology is aligned with the GHG Protocol. However, this KPI covers only a portion of Scope 1 and 2 of ÖBB-Personenverkehr AG, thus this KPI is benchmarkable with limitations.
KPI 1.1		
Analysis	The KPI is considered:	

Relevant to ÖBB-Personenverkehr AG's business as Climate protection and pollution prevention are considered key ESG issues faced by the Rail Transportation industry according key ESG standards for reporting and ISS ESG assessment. In 2021, global CO₂ emissions from the transport sector rebound, growing by 8% to 7.7 Gt CO₂, up from 7.1 Gt CO₂ in 2020. While Rail Transportation is one of the most energy-efficient modes of transportation, more efforts are needed from the sector to get on track with the Net Zero Emissions by 2050 Scenario, emissions will need to decline by about 6% annually⁷.

Moderately Core to ÖBB-Personenverkehr AG's business as Scope 1 and 2 CO₂ e emissions reduction measures affect key processes and operations that are core to the business model of the Issuing subsidiary. On the one hand, the Company will switch their electricity contract for traction current to 100% renewable energy. It should be noted that these contracts are short-term contracts, subject to availability, price pressures, and debates regarding additionality⁸, which may compromise the GHG emission reduction strategy for Scope 2. On the other hand, they plan to promote alternative drives like eHybrid locomotives and run pilot operations on highly Capex-intense technologies such as hydrogen trains. Besides that, they plan to increase their attractiveness for customers by implementing climate tickets, new connections, and modern trains. It is noted that the Issuing subsidiary is not planning to use offset mechanisms to achieve this SPT.

Partially Material⁹ to ÖBB-Personenverkehr AG's direct operation because the KPI focuses only on 72% of Scope 1 and 2 GHG emissions of ÖBB-Personenverkehr AG¹⁰. While the KPI covers all the emissions related to the mobility activity of ÖBB-Personenverkehr AG's, emissions arising from refrigerants, internal traffic as well as emissions arising from buildings (power, heat, cold, refrigerants) are not covered. Also, KPI 1.1 represents 22.6% of GHG emissions linked to ÖBB Mobility activity¹¹.

It is worth noting that KPI 1.1 does not address Scope 3 GHG emissions which represents approximately 90% of ÖBB Group and 23% of Total GHG emissions of ÖBB Mobility.

Therefore, KPI 1.1 is deemed not material to the entire Corporate Value Chain of the Company.

⁷ International Energy Agency, Transport, Tracking report (September 2022), <https://www.iea.org/reports/transport>

⁸ Bjørn, et al., 2022, Nature Climate Change, Renewable energy certificates threaten the integrity of corporate science-based targets

⁹ ISS considers a KPI 'Partially Material' when not in line with SBTi latest methodology: companies may exclude up to 5% of scope 1 and scope 2 emissions combined in the boundary of the inventory and target. Companies may exclude a maximum of 5% of emissions from their total scope 3 inventory. More information available at <https://sciencebasedtargets.org/resources/files/SBTi-criteria.pdf>

¹⁰ The emissions arising from refrigerants and internal traffic are excluded, as well as emissions arising from building (power, heat, cold, refrigerants)

¹¹ The methodology used by ÖBB Group for reporting GHG emissions linked to Mobility exclude emissions linked to buildings.

Calibration of SPT 1.1 - ÖBB-Personenverkehr AG

SPT 1.1 is defined as a ‘reduction of Scope 1 and 2 CO₂ e emissions per passenger km to below 4.96g CO₂ e/person-km by 2028’

Opinion	<i>The SPT is (i) qualitatively ambitious against the Company’s past performance, (ii) is ambitious against peers based on limited evidence, and (iii) ambitious against industry targets. The target is set in a clear timeline and is supported by a strategy and action plan disclosed in the Company’s framework.</i>			
Level of Ambition	No Evidence	Limited	Good	Robust
SPT 1.1	SPT definition: SPT 1.1 is defined as a reduction of Scope 1 and 2 CO ₂ e emissions per passenger km to below 4.96g CO ₂ e/passenger-km by 2028 compared to 12.4g CO ₂ e /passenger-km in 2017			
Characteristics and Features	Baseline performance and year:		12.4 CO ₂ e/person-km in 2017	
	Target performance and observation date:		4.96g CO ₂ e/passenger-km by 2028 The annual interim SPTs will be specified in the relevant legal documentations. It is expected that individual Issuing subsidiaries will discuss and potentially re-calibrate them with the lender group. At the time of writing, the envisioned interim SPTs represent a steady increase from the current performance to the 2028 target.	
	Trigger event:		The trigger events are to be specified in the legal documentation. The Company relies on yearly based targets tested annually on the 31 st of December.	
	Long-term target:		<ul style="list-style-type: none"> ▪ CO₂ neutrality in the ÖBB Group 2040 – 2050 (Scope 1, 2 including buildings and Scope 3 in different application depths) and ▪ further traffic shifts by making the system more attractive and by increasing capacity - both through conventional expansion and using new technologies (doubling the capacity by 2040). 	
	Strategy and action plan to reach the target:		<p>To reduce its specific carbon footprint and increase its mobility performance, ÖBB-Personenverkehr AG will focus its effort on the following measures:</p> <ul style="list-style-type: none"> ▪ Use of traction current from 100% renewable energy with the purchase of certificate of origins ▪ Promotion of alternative drives eHybrid locomotives and pilot operation: hydrogen train ▪ Making the offer more attractive for customers and increasing the utilization of rail passenger transport: climate ticket, new connections, and modernization 	
	Key factors/risks beyond the Issuing subsidiary’s direct control that may affect the achievement of the SPTs:		<ul style="list-style-type: none"> ▪ Impact of the energy crisis (not enough renewable energies available) ▪ Changes in underlying emission factors ▪ Changes in norms/standards for measuring transport performance 	

		<ul style="list-style-type: none"> External exogenous factors such as corona pandemic that decrease the traffic performance and occupancy rate of the train
	Recalculations or pro-forma adjustments of baselines	The legal documentation will include a recalculation policy.
SPT 1.1		
Analysis	The level of ambition of the SPT is assessed as follows:	

(i) Against past performance:

ÖBB-Personenverkehr AG provided 5 years of relevant historical data, including for the baseline year of 2017. The data are shown in Table 1.

Calculating the compound annual growth rate (CAGR) of the past performance shows that the Issuing subsidiary first achieved average yearly reduction of 31.61% between 2017 and 2019. During this time frame ÖBB-Personenverkehr AG achieved to halve its absolute Scope 1 and 2 mobility CO₂ e emissions, mostly thanks to the shift to renewable energy for traction current. Then, the CAGR rebounded of 28% between the year 2019 and 2021. The Issuing subsidiary explain the rebound by a significant decrease in traffic performance due to the low occupancy rates during the corona pandemic.

TABLE 1.	2017 – BASELINE	2018	2019	2020	2021	2022	2028 – SPT 1.1
KPI metric	12.4	n/a	5.8	9.5	9.5	5.7	4.96
CAGR 2017 – 2022						-14.4%	
CAGR 2022 – 2028							-2.29%

Source: ÖBB Sustainable Finance Framework

ÖBB-Personenverkehr AG sets SPT 1.1 to achieve a reduction of the Specific CO₂ footprint and to reach by 2028 an intensity Scope 1 and 2 below 4.96g CO₂ e/passenger-km. Calculating the compound annual growth rate (CAGR) amounts to an average of -2.29% annual reduction between 2022 and 2028.

Although the projected average annual increase to achieve SPT 1.1 is quantitatively smaller than the historical data (i.e., CAGR of -14.4% between 2017 and 2022), it is worth underlining that this significant drop in Specific CO₂ footprint was to a great extent due to the shift to renewable energy for traction current. To further reduce the Specific CO₂ footprint is challenging once the traction current comes from 100% renewable energy. In addition to ÖBB's plan to reach 100% renewable electricity for traction current, they also launched a climate ticket to increase the occupancy rate of train. This measure can be very effective to improve the ratio yet is also costly¹². On this ground, we conclude the SPT is ambitious from a qualitative perspective.

¹² More information on KlimaTicket available at <https://www.klimaticket.at>

(ii) Against peers:

To benchmark the SPT of this individual Issuing subsidiary, we conducted a benchmarking of ÖBB Group against a peer group of 14 National Railway Companies (including the Issuer) in Western Europe and Scandinavia. In fact, many of these companies are also diversified, but target setting most often takes place at group level. In fact, many of these companies are also diversified (in terms of activity, and often with a host of specialized subsidiaries like ÖBB Group) but target setting most often takes place at group level. Because ÖBB confirms that the targets of each individual Issuing subsidiaries contribute to and are aligned with the achievement of the group target, being this latter, a composite average of the subsidiary sub-targets included in this framework, we use ÖBB Group's target as a proxy for said subsidiaries.

Indeed, the target set by ÖBB Group related to SPT 1.1 is to achieve "climate neutrality" for ÖBB Mobility sector by 2030 (Scope 1 and 2 GHG emissions, excluding building). This would correspond to a reduction of around 38%¹³ of their total Scope 1 and 2 GHG emissions including buildings) compared to 2021. All the benchmarked peers belong to The Community of European Railway and Infrastructure Companies and thus at least committed to the following targets:

- By 2030 the European railways will reduce their specific average CO₂e emissions from train operation by 50% compared to base year 2005 measured per passenger-km (passenger service) and gross tonne-km (freight service).
- By 2030, the European railways will reduce their total CO₂e emissions from train operation by 30% in absolute terms compared to base year 2005.
- The European railways will strive towards carbon-free train operation by 2050 and provide society with a climate neutral transport alternative.

Aside from ÖBB Group, 5 other peers went further the commitment by setting a complementary target covering Scope 1 and 2 GHG emissions. 2 other peers can be considered as more ambitious as their respective targets cover a broader scope, thus placing ÖBB Group in the top 20% companies setting complementary targets on GHG emissions. The 3 remaining peers that have set complementary target did it with a less ambitious degree of magnitude. It is important to note that some peers that did not set a target are already more performant in terms of GHG emissions than ÖBB Group, as well, the level of ambition is assessed with limitations due to the bespoke nature of the target set by ÖBB Group. Indeed, the calculation methodology used to compute the Specific CO₂ footprint is exclusive to ÖBB. Peers developed their own methodologies as well which differs from one to another and lead to a limited benchmarking.

Therefore, we conclude that the SPTs set by individual Issuing subsidiaries are collectively ambitious compared to ÖBB Group's industry peers in terms of setting a GHG emissions reduction target, limited by the diversity in target-setting approaches.

¹³ ÖBB Group publicly discloses a target of 130 746 t CO₂ emissions for Scope 1 and 2 Mobility (excluding buildings) in 2030.

(iii) Against international targets:

Paris Agreement

Neither ÖBB Group nor ÖBB-Personenverkehr AG have committed to set science-based target or to verify its SPT 1.1 is aligned with 1.5-degree scenario. Therefore, limited information is available to assess the alignment of the target against Paris Agreement.

Industry target

In 2010, UIC (The International railway association) and CER (The Community of European Railway and Infrastructure Companies) provided a unified approach to environmental and sustainability topics in the European rail sector. The co-produced report 'Moving towards Sustainable Mobility : European Rail Sector Strategy 2030 and beyond' outlines how the rail sector should be performing in environmental terms in 2030 and 2050, and provides a framework for companies of the rail sector to set long-term targets.

The target related to the specific average CO₂e emissions from train operation is stated as follow :

- By 2030 the European railways will reduce their specific average CO₂e emissions from train operation by 50% compared to base year 2005 measured per passenger-km (passenger service) and gross tonne-km (freight service).
- By 2030, the European railways will reduce their total CO₂e emissions from train operation by 30% in absolute terms compared to base year 2005.
- The European railways will strive towards carbon-free train operation by 2050 and provide society with a climate neutral transport alternative.

To achieve those previously stated targets, Railways companies commit to set absolute and/or intensity emissions reduction target (scope 1+2) with a 5-15 years' time frame and a 2.1% year-on-year reduction at a minimum.

As SPT 1 aims at achieving a -2.29% annual reduction between 2022 and 2028 of their Specific CO₂ footprint and to reach by 2028 an intensity Scope 1 and 2 below 4.96g CO₂ e/passenger-km, and thus set a faster pace of reduction than the previously mentioned annual industry pace of reduction, we can thus conclude that this SPT is ambitious against stated industry targets.

Selection of KPI 1.2 - Rail Cargo Austria AG

KPI 1.2 is defined as 'intensity Scope 1 and 2 ¹⁴ CO ₂ e emissions of Rail Cargo Austria AG in grams of CO ₂ eq/tonne -km'			
Opinion	The KPI is relevant, core and partially material to the Issuing subsidiary's overall business. It is appropriately measurable, quantifiable, externally verifiable, verified and benchmarkable with limitations. It covers around 83% ¹⁵ of Scope 1 and 2 GHG emissions of Rail Cargo Austria AG.		
Assessment	Not aligned	Aligned	Best Practice
KPI 1.2 Characteristics and Features	KPI definition:	Rail Cargo Austria AG is the international freight transport Company subsidiary from ÖBB-Holding AG. Together with its subsidiaries, it appears on the international market under the umbrella brand of the Rail Cargo Group (RCG). The home markets are Austria and Hungary. In addition, the RCG operates its own traction in 13 European countries (as of 2022). The core business of Rail Cargo Austria AG is rail transport with additional freight forwarding. KPI 1.2 computes the intensity Scope 1 and 2 CO ₂ e emissions of Rail Cargo Austria AG in grams of CO ₂ e/tonne -km.	
	Scope and perimeter:	The KPI scope and perimeter are defined as it covers a portion of total Scope 1 and 2 GHG emissions related to Rail Cargo Austria AG operations. The emissions related to refrigerant quantities and internal traffic are excluded. The stated KPI accounts for around 15% of the total emissions in the mobility area (Scope 1 & 2) of the ÖBB Group. A minor portion of Scope 3 GHG emissions is included to the Scope of this KPI.	
	Quantifiable/Externally verifiable:	The KPI is quantifiable since it is calculated as "Total Scope 1 and 2 CO ₂ e emissions + portion of Scope 3 emissions/kilometers traveled by a tonne of goods including packaging and net weight of intermodal loading units". It is externally verifiable because CO ₂ e emissions per tonne -km KPI is widely disclosed and standardized in the market.	
	Externally verified:	The group's sustainability report is verified by an external party since 2019. The historical and baseline data for the KPI are, thus, verified indirectly as well. Starting in 2023, the Issuing subsidiary commits to having the KPI future data explicitly verified by an external reviewer as well.	
	Benchmarkable:	ÖBB's GHG balance and specifically Scope 1 and 2 CO ₂ e emissions of Rail Cargo Austria AG are calculated annually by the Federal Environment Agency, and their methodology is aligned with the GHG Protocol. Although	

¹⁴ A minor portion of Scope 3 is also included to this KPI. However, the Issuer does not provide more transparency on the categories of Scope 3 GHG emissions included nor on the % it represents.

¹⁵ Emissions related to refrigerant quantities and internal traffic are excluded, as well as emissions related to buildings (e.g., power, heat, cold, refrigerant). Here emissions related to buildings are estimated with a proxy provided by ÖBB Group (e.g., emissions related to buildings represents circa 18 % of overall Scope 1 and 2 GHG emissions) and reintegrated to Scope 1 and 2 GHG emissions of the Issuing subsidiary.

		this KPI covers only a portion of Scope 1, 2 and 3 of Rail Cargo Austria AG, thus this KPI is benchmarkable with limitations.
KPI 1.2		
Analysis	The KPI is considered:	

As for KPI 1.1, KPI 1.2 is considered **Relevant** to Rail Cargo Austria AG's.

Core to the Rail Cargo Austria AG 's business as Scope 1 and 2 CO₂e emission reduction measures affect key processes and operations that are core to the business model of the Issuing subsidiary. To reduce the carbon footprint of the freight, Rail Cargo Austria AG will optimize the wagon use, improve customer management, and use innovative wagon material. The Company will also implement energy efficiency measures such as energy-optimized speeds or regenerative traction vehicles to save energy, costs, and CO₂e emissions. It is noted that the Issuing subsidiary is not planning to use offset mechanisms to achieve this SPT.

Partially Material¹⁶ to Rail Cargo Austria AG 's direct operation because the KPI focuses on 83% of Scope 1 and 2 GHG emissions of Rail Cargo Austria AG¹⁷. While the KPI covers all the emissions related to the mobility activity of Rail Cargo Austria AG, emissions arising from internal traffic as well as emissions arising from buildings (power, heat, cold, refrigerants) are not covered by the KPI. Also, KPI 1 represents 14.6% of GHG emissions ÖBB Mobility activity¹⁸.

It is worth noting that KPI 1.2 address only a minor portion of Scope 3 GHG emissions which in total represents approximately 90% of ÖBB Group and 23% of Total GHG emissions of ÖBB Mobility.

Therefore, KPI 1.2 is deemed not material to the entire Corporate Value Chain of the Company.

Calibration of SPT 1.2 - Rail Cargo Austria AG

SPT 1.2 is defined as 'a reduction of Scope 1 and 2 CO ₂ e emissions per tonne-km to 2.76g CO ₂ eq/ton-km by 2028'				
Opinion	<i>The SPT (i) is not ambitious against the Company's past performance, (ii) ambitious against peers based on limited evidence, and (iii) there is limited information to assess the level of ambition against industry targets. The target is set in a clear timeline and is supported by a strategy and action plan disclosed in the Company's framework.</i>			
Level of Ambition	No Evidence	Limited	Good	Robust
SPT 1.2	SPT definition:	Reduce Scope 1 and 2 CO ₂ e emissions per tonne-km to 2.76g CO ₂ e/ton-km by 2028 compared to 5.0g CO ₂ e/ton-km in 2017		

¹⁶ ISS considers a KPI 'Partially Material' when not in line with SBTi latest methodology: companies may exclude up to 5% of scope 1 and scope 2 emissions combined in the boundary of the inventory and target. Companies may exclude a maximum of 5% of emissions from their total scope 3 inventory. More information available at <https://sciencebasedtargets.org/resources/files/SBTi-criteria.pdf>

¹⁷ The emissions arising from refrigerants and internal traffic are excluded, as well as emissions arising from building (power, heat, cold, refrigerants)

¹⁸ The methodology used by ÖBB Group for reporting GHG emissions linked to Mobility exclude emissions linked to buildings.

Characteristics and Features	Baseline performance and year:	5 CO ₂ e/ton-km in 2017
	Target performance and observation date:	2.76g CO ₂ e/ton-km by 2028 The annual interim SPTs will be specified in the relevant legal documentation. It is expected that individual Issuing subsidiaries will discuss and potentially re-calibrate them with the lender group. At the time of writing, the envisioned interim SPTs represent a linear increase from the current performance to the 2028 target.
	Trigger event:	The trigger events are to be specified in the legal documentation. The Company relies on yearly based targets tested annually on the 31 st of December.
	Long-term target:	<ul style="list-style-type: none"> ▪ CO₂ neutrality in the ÖBB Group 2040 – 2050 (Scope 1, 2 including buildings and Scope 3 in different application depths) and ▪ further traffic shifts by making the system more attractive and by increasing capacity - both through conventional expansion and using new technologies (doubling the capacity by 2040).
	Strategy and action plan to reach the target:	To reduce its specific carbon footprint and increase its mobility performance, Rail Cargo Austria AG will focus its effort on the following measures: <ul style="list-style-type: none"> ▪ Optimizing freight traffic: the measures range from optimization through active customer management to optimized wagon use and innovative wagon material ▪ Energy efficiency measures in the field of mobility through optimized operational management and use of electricity and diesel.
	Key factors/risks beyond the Issuing subsidiary's direct control that may affect the achievement of the SPTs:	<ul style="list-style-type: none"> ▪ Impact of the energy crisis (not enough renewable energies available) ▪ Changes in underlying emission factors ▪ Changes in norms/standards for measuring transport performance ▪ External exogenous factors such as corona pandemic that decrease the traffic performance and occupancy rate of the train
	Recalculations or pro-forma adjustments of baselines	The legal documentation will include a recalculation policy.
SPT 1.2 Analysis	The level of ambition of the SPT is assessed as follows:	

(i) Against past performance:

Rail Cargo Austria AG provided 5 years of relevant historical data, including for the baseline year of 2017. The data are shown in Table 2.

Calculating the compound annual growth rate (CAGR) of the past performance shows that the Issuing subsidiary first achieved average yearly reduction of 25% between 2017 and 2019. This is mostly due to the shift toward renewable energy for traction current. Then, the specific footprint rebounded slightly in between 2019 and 2021. The Issuing subsidiary explain the rebound by a significant decrease in traffic performance due to the low occupancy rates during the corona pandemic.

TABLE 2.	BASELINE – 2017	2018	2019	2020	2021	2022	2028 – SPT 1.2
KPI metric	5.0	2.7	2.8	2.9	2.9	2.9	2.76
CAGR 2017 – 2022						-10.3%	
CAGR 2022 – 2028							-0.82%

Source: ÖBB Sustainable Finance Framework

Rail Cargo Austria AG sets SPT 1.2 to achieve a reduction of its intensity Scope 1 and 2 CO₂ emissions¹⁹ footprint to 2.76g CO₂ e/ton-km by 2028. Calculating the compound annual growth rate (CAGR) amounts to an average of -0.82% annual reduction between 2022 and 2028. This reduction rate is quantitatively smaller than ÖBB’s previous reduction performance.

Rail Cargo Austria AG explains indeed that ÖBB’s freight transport division is under pressure and the projected traffic performance (i.e., the denominator of KPI 1.2) for the coming years is set below historical performance. Thus, to decrease its intensity emissions Rail Cargo Austria AG will focus its efforts on reducing Scope 1,2 and 3 GHG emissions and increase its renewable electricity consumption for freight transport.

However, Scope 1 and 2 GHG emissions, which are the numerator of the KPI, were still increasing between 2020 and 2022.

Therefore SPT 1.2 is deemed not ambitious against past performance.

(ii) Against peers:

Please refer to the assessment of the SPT against peers in ‘Calibration of SPT 1.1’.

¹⁹ A minor portion of Scope 3 GHG emissions is also included.

(iii) Against international targets:

Paris Agreement

Neither ÖBB Group nor Rail Cargo Austria AG have committed to set science-based target or to verify its SPT 1.2 is aligned with 1.5-degree scenario. Therefore, limited information is available to assess the alignment of the target against the Paris Agreement.

Industry target

In the previously stated 2010, UIC (The International railway association) and CER (The Community of European Railway and Infrastructure Companies) provided a unified approach to environmental and sustainability topics in the European rail sector. The co-produced report published by ‘Moving towards Sustainable Mobility: European Rail Sector Strategy 2030 and beyond’ outlines how the UIC and CER, the rail sector should be performing in environmental terms in 2030 and 2050 and provides a framework for companies of the rail sector to set long-term targets. The target related to the specific average CO₂e emissions from train operation is stated as follow:

- By 2030 the European railways will reduce their specific average CO₂e emissions from train operation by 50% compared to base year 2005 measured per passenger-km (passenger service) and gross tonne-km (freight service).
- By 2030, the European railways will reduce their total CO₂e emissions from train operation by 30% in absolute terms compared to base year 2005.
- The European railways will strive towards carbon-free train operation by 2050 and provide society with a climate neutral transport alternative.

The agreement does not contain any obligation for European Railway and Infrastructure companies to act on specific freight emissions. In this context, limited information is available to assess the ambition of the SPT against industry targets.

Selection of KPI 1.3 – Österreichische Postbus AG

KPI 1.3 is defined as ‘Intensity Scope 1 and 2 CO ₂ ²⁰ e emissions Österreichische Postbus AG expressed in grams of CO ₂ e/passenger-km’			
Opinion	<i>The KPI is relevant, core and partially material to the Issuing subsidiary’s overall business. It is appropriately measurable, quantifiable, externally verifiable, verified benchmarkable with limitations. It covers 81%²¹ of Scope 1 and 2 GHG emissions of Österreichische Postbus AG.</i>		
Assessment	Not aligned	Aligned	Best Practice
KPI 1.3 Characteristics and Features	KPI definition:	Österreichische Postbus AG is the largest bus company in Austria. Every year, Österreichische Postbus AG brings around 135 million travelers to their destinations and covers areas where there is otherwise no public transport. Around 70% of Postbus travelers	

²⁰ A minor portion of Scope 3 is also included in this KPI.

²¹ Emissions related to refrigerant quantities and internal traffic are excluded, as well as emissions related to buildings (e.g., power, heat, cold, refrigerant). Here emissions related to buildings are estimated with a proxy provided by ÖBB Group (e.g., emissions related to buildings represents circa 18 % of overall Scope 1 and 2 GHG emissions) and reintegrated to Scope 1 and 2 GHG emissions of the Issuing subsidiary.

		<p>throughout Austria are schoolchildren who take the bus to school every day. The buses are on the road in around 1,800 communities every day and thus ensure public connections, in rural areas to the most remote corners of Austria.</p> <p>KPI 1.3 computes the Intensity Scope 1 and 2 and a portion of Scope 3 CO₂e emissions of Österreichische Postbus AG expressed in grams of CO₂ eq/passenger-km</p>
	Scope and perimeter:	<p>The KPI scope and perimeter are defined as it covers a portion of total Scope 1 and 2, as well as a minor portion of Scope 3 GHG emissions related to Österreichische Postbus AG operations. The emissions related to refrigerant quantities and internal traffic are excluded. The stated KPI accounts for around 49% of the total emissions in the mobility area (Scope 1 & 2) of the ÖBB Group. A minor portion of Scope 3 emissions is included to this KPI.</p>
	Quantifiable/Externally verifiable:	<p>The KPI is quantifiable since it is calculated as “Total Scope 1 and 2 CO₂ e emissions + a portion of Scope 3 emissions/kilometers traveled by the number of travelers “. It is externally verifiable because CO₂ e emissions per passenger-km KPI is widely disclosed in the market.</p>
	Externally verified:	<p>The group’s sustainability report is verified by an external party since 2019. The historical and baseline data for the KPI are, thus, verified indirectly as well. Starting in 2023, the Issuing subsidiary commits to having the KPI future data explicitly verified by an external reviewer as well.</p>
	Benchmarkable:	<p>ÖBB’s GHG balance and specifically Scope 1 and 2 CO₂ e emissions of Österreichische Postbus AG is calculated annually by the Federal Environment Agency, and their methodology is aligned with the GHG Protocol. Although this KPI covers only a portion of Scope 1, 2 and 3 of Österreichische Postbus AG, thus this KPI is benchmarkable with limitations.</p>
KPI 1.3		
Analysis	The KPI is considered:	

As for KPI 1.1, KPI 1.3 is considered **Relevant** to Österreichische Postbus AG’s business as Climate protection and pollution prevention are considered key ESG issues faced by the Road Transportation industry according key ESG standards for reporting and ISS ESG assessment. In 2021, global CO₂ emissions from the transport sector rebound, growing by 8% to 7.7 Gt CO₂, up from 7.1 Gt CO₂ in 2020. While Rail Transportation is one of the most energy-efficient modes of transportation, more efforts

are needed from the sector to get on track with the Net Zero Emissions by 2050 Scenario, emissions will need to decline by about 6% annually²².

Core to Österreichische Postbus AG’s business as Scope 1 and 2 CO₂ e emission reduction measures affect key processes and operations that are core to the business model of the Issuing subsidiary. To reduce its carbon footprint, Österreichische Postbus AG will invest in electric and hydrogen buses to replace part of their fleet. They will also implement energy efficiency measures to optimize the consumption of their thermal-powered fleet. It is noted that the Issuing subsidiary is not planning to use offset mechanisms to achieve this SPT.

Partially Material²³ to Österreichische Postbus AG’s direct operation because the KPI focuses on 81% of Scope 1 and 2 GHG emissions of Österreichische Postbus AG. While the KPI covers all the emissions related to the mobility activity of Österreichische Postbus AG, emissions arising from refrigerants, internal traffic as well as emissions arising from buildings (power, heat, cold, refrigerants) are not covered. Also, KPI 1.3 only represents 49.4% of GHG emissions ÖBB Mobility²⁴ activity and accounts only for 4.2% of the GHG total emissions of ÖBB Group.

It is worth noting that KPI 1.3 addresses only a minor portion of Scope 3 GHG emissions which in total represents approximately 90% of ÖBB Group and 23% of Total GHG emissions of ÖBB Mobility.

Therefore, KPI 1.3 is deemed not material to the entire Corporate Value Chain of the Company.

Calibration of SPT 1.3 - Österreichische Postbus AG

SPT 1.3 is defined as a ‘reduction of Scope 1 and 2 CO ₂ e emissions per passenger-km below 58g CO ₂ e/passenger-km by 2028’			
Opinion	<i>The SPT is, (i) qualitatively ambitious against past performance, (ii) ambitious against peers based on limited evidence, and (iii) there is limited information to assess it against international and industry targets. The target is set in a clear timeline and is supported by a strategy and action plan disclosed in the Company’s framework.</i>		
Level of Ambition	No Evidence	Limited	Good
SPT 1.3	SPT definition:	Reduce Scope 1 and 2 CO ₂ e emissions per passenger-km below 58g CO ₂ e/passenger-km by 2028	
	Baseline performance and year:	52.4 g CO ₂ e/person-km in 2017	

²² International Energy Agency, Transport, Tracking report, September 2022, <https://www.iea.org/reports/transport>

²³ ISS considers a KPI ‘Partially Material’ when not in line with SBTi latest methodology: companies may exclude up to 5% of scope 1 and scope 2 emissions combined in the boundary of the inventory and target. Companies may exclude a maximum of 5% of emissions from their total scope 3 inventory. More information available at <https://sciencebasedtargets.org/resources/files/SBTi-criteria.pdf>

²⁴ The methodology used by ÖBB Group for reporting GHG emissions linked to Mobility exclude emissions linked to buildings.

Characteristics and Features	Target performance and observation date:	58 g CO ₂ e/person-km by 2028 The annual interim SPTs will be specified in the relevant legal documentation. It is expected that individual Issuing subsidiaries will discuss and potentially re-calibrate them with the lender group. At the time of writing, the envisioned interim SPTs represent a linear increase from the current performance to the 2028 target.
	Trigger event:	The trigger events are to be specified in the legal documentation. The Company relies on yearly based targets tested annually on the 31 st of December.
	Long-term target:	<ul style="list-style-type: none"> ▪ CO₂ neutrality in the ÖBB Group 2040 – 2050 (Scope 1, 2 including buildings and Scope 3 in different application depths) and ▪ further traffic shifts by making the system more attractive and by increasing capacity - both through conventional expansion and using new technologies (doubling the capacity by 2040).
	Strategy and action plan to reach the target:	To reduce its specific carbon footprint and increase its mobility performance, Österreichische Postbus AG will focus its effort on the following measures: <ul style="list-style-type: none"> ▪ Use of electric and hydrogen buses ▪ Energy efficiency measures in the field of mobility with fuel-saving driving for example.
	Key factors/risks beyond the Issuing subsidiary's direct control that may affect the achievement of the SPTs:	<ul style="list-style-type: none"> ▪ Changes in underlying emission factors. ▪ Changes in norms/standards for measuring transport performance. ▪ Delay in technology deployment (H₂ refueling stations, batteries) ▪ External exogenous factor such as corona pandemic that decrease the traffic performance and occupancy rate of the train
	Recalculations or pro-forma adjustments of baselines	The legal documentation will include a recalculation policy.
SPT 1.3 Analysis	The level of ambition of the SPT is assessed as follows:	

(i) Against past performance:

Österreichische Postbus AG provided 5 years of relevant historical data, including for the baseline year of 2017. The data are shown in Table 3.

Calculating the compound annual growth rate (CAGR) of the past performance shows that the Issuing subsidiary did not achieve to reduce its specific carbon footprint during the previous years. It amounted first of a 1.42% increase between 2017 and 2019, and then it rebounded by 19% annually between 2019 and 2021. In total the KPI increased by 2.68% annually between 2017 and 2022.

According to the Issuing subsidiary, the significant rebound we observe for the years 2020 and 2021 are explained by a significant decrease in traffic performance due to the low occupancy rates during the corona pandemic.

TABLE 3.	2017 – BASELINE	2018	2019	2020	2021	2022	2028 – SPT 1.3
KPI metric	52.4	n/a	53.9	85.35	76.7	59.8	58
CAGR 2017 – 2022						2.68%	
CAGR 2022 – 2028							-0.51%

Source: ÖBB Sustainable Finance Framework

Österreichische Postbus AG sets this SPT to decrease its specific CO₂ footprint to 58g CO₂ eq/person-km. Although the pace of reduction is faster than previously achieved (i.e., projected CAGR of -0.51% between 2022-2028), the target set Österreichische Postbus AG is superior to the baseline and superior to the 2017 historical performance.

The Issuing subsidiary highlighted that its leverage to reduce emissions is limited by:

- Intrinsic nature of mobility projects: Österreichische Postbus AG faces increasing competition in long-distance routes with high load-factors whereas there are very few actors providing mobility services in rural areas with lower load factors
- Strict tendering process including limited possibilities to include alternative drives due to tendering processes including diesel technologies
- Capacity to invest in alternative drive at bigger scale because of economic constraints.

However, Österreichische Postbus AG confirmed that they are engaged to continuously decrease the absolute GHG emissions generated by this activity, and their effort is in line with the reduction trajectory of their absolute Scope 1 and 2 GHG emissions of the previous years. They have launched pilot projects for decarbonizing their fleet with hydrogen and e-buses in selected areas. As well, their involvement is reflected by the development of promotional programs and new offerings such as Postbus Shuttle which is an Individual on-demand solution.

Therefore, SPT 1.3 is not quantitatively ambitious against past performance, but is considered qualitatively ambitious against past performance.

(ii) Against peers:

Please refer to the assessment of the SPT against peers in 'Calibration of SPT 1.1'.

(iii) Against international targets:

Paris Agreement

Neither ÖBB Group nor Österreichische Postbus AG have committed to setting science-based target or to verify its SPT 1.3 is aligned with 1.5-degree scenario. Therefore, limited information is available to assess the alignment of the target against Paris Agreement.

Industry target

In June 2019, the European Parliament and Council adopted the Clean Vehicles Directive to promote clean mobility solutions in public procurement tenders, providing a solid boost to the demand and further deployment of low- and zero-emission vehicles.²⁵ The revised Directive defines a clean vehicle as follows : Clean heavy-duty vehicle: any truck or bus using one of the following alternative fuels: hydrogen, battery electric (including plug-in hybrids), natural gas (both CNG and LNG, including biomethane), liquid biofuels, synthetic and paraffinic fuels, LPG.

However, the E.U. does not set CO₂ g/km emission target for heavy-duty vehicles, thus this is not comparable to SPT 1.3. In this context, limited information is available to assess the ambition of the SPT against industry targets.

Selection of KPI 1.4 - ÖBB Technische Services-GmbH

KPI 1.4 is defined as 'Specific total energy consumption in kWh/100 employees/square meter'			
Opinion	<i>The KPI is relevant, core and partially material to the Issuing subsidiary's overall business. It is appropriately measurable, quantifiable, externally verifiable, verified and benchmarkable with limitations. It covers 93% of the total energy consumption of ÖBB Technische Services-GmbH.</i>		
Assessment	Not aligned	Aligned	Best Practice
KPI 1.4 Characteristics and Features	KPI definition:	<p>ÖBB-Technische Services-GmbH is a joint subsidiary of ÖBB-Personenverkehr AG and Rail Cargo Austria AG and offers rail vehicle maintenance services in Central and Eastern Europe. The group's areas of responsibility Include modular maintenance (light and heavy maintenance of rail vehicles in stages/maintenance modules), services along the most important railway corridors, material management and mobile maintenance.</p> <p>KPI 1.4 computes the Specific total energy consumption in kWh/100 employees/m² The KPI of ÖBB-Technische Services-GmbH lists the energy consumption/100 employees/m² and describes the energy efficiency development of this service and maintenance area for rail vehicles.</p>	

²⁵ European Commission, 2019, [Clean Vehicles Directive](#)

	Scope and perimeter:	The scope of the KPI 1.4 is the specific energy consumption of the workshops in kWh per 100 employee of the subsidiary ÖBB-Technische Services-GmbH per square meter of space, it covers 93% of the total energy consumption of ÖBB-Technische Services-GmbH.
	Quantifiable/Externally verifiable:	The KPI is quantifiable and calculated as the total energy consumption in kWh of ÖBB Technische Services-GmbH and divided by total number of employees expressed in hundreds and divided by the total number of square meters. The information needed for this ratio is publicly available and thus externally verifiable.
	Externally verified:	The group's sustainability report is verified by an external party since 2019. The historical and baseline data for the KPI are, thus, verified indirectly as well. Starting in 2023, the Issuing subsidiary commits to having the KPI future data explicitly verified by an external reviewer as well.
	Benchmarkable:	KPI is easily comparable with the historical data reported by the Company. However, with limitations because the calculation methodology is not widespread in the market and since the scope of energy consumption considered could differ from one peer to another. Benchmarking of the SPT in relation to this KPI has been analyzed below.

KPI 1.4	
Analysis	The KPI is considered:

Relevant to ÖBB-Technische Services-GmbH business as Climate protection and pollution prevention are considered key ESG issues faced by the Rail Transportation industry according key ESG standards for reporting and ISS ESG assessment. The goal is to reduce GHG emissions from the energy sources used for rail and bus transport to such an extent that carbon neutrality is achievable in this area by 2030. The focus here is on further electrification of routes, alternative drive systems for rail and bus, accelerating the expansion of renewable energy sources, increasing energy efficiency, and increasing capacity utilization in transport. To that extent, computing a KPI based on the energy consumption appears as relevant to ÖBB-Technische Services-GmbH business.

Core to ÖBB-Technische Services-GmbH as the set of measures that will be undertaken to lower down the energy consumption of the Company will affect some key processes and operations that are central to ÖBB-Technische Services-GmbH (light and heavy maintenance of rail vehicles, material management, services along railway corridors). They will notably carry out energy audits to implement energy-savings measures, ensure specific buildings renovation to improve the insulation values and reduce energy losses.

Partially Material²⁶ to ÖBB-Technische Services-GmbH as the KPI covers 93% of the total energy consumption of ÖBB-Technische Services-GmbH and reducing its specific total energy consumption will enable the Company to moderate its impact on climate and contribute to pollution prevention in a significant way. Indeed, heating systems of buildings make up a significant part of the energy consumption (and thus Scope 1 of the CO₂ emissions of the Company) and initiating renovation measures to promote energy efficiency of buildings is a key issue to lower the total GHG emissions of ÖBB-Technische Services-GmbH and ÖBB Group. However, it should be noted that by definition, this KPI excludes any indirect GHG emissions (i.e., stemming from Scope 3), which are usually significant in this industry.

Calibration of SPT 1.4 ÖBB Technische Services-GmbH

SPT 1.4 is defined as a 'reduction of total specific energy consumption to 6.04 kWh/100 employees/m² by 2030'

Opinion	<i>The SPT is, (i) not ambitious against the Company's past performance, (ii) ambitious against peers based on limited evidence, and (iii) there is limited information to assess the ambition against international and industry targets. The target is set in a clear timeline and is supported by a strategy and action plan disclosed in the Company's framework.</i>			
Level of Ambition	No Evidence	Limited	Good	Robust
SPT 1.4	Reduce total specific energy consumption to 6.04 kWh/m ² /100 employees by 2028			
Characteristics and Features	SPT definition:	Reduce total specific energy consumption to 6.04 kWh/m ² /100 employees by 2028		
	Baseline performance and year:	7.28 kWh/100 employees/m ² in 2018		
	Target performance and observation date:	6.04 kWh/100 employees/m ² in 2030 The annual interim SPTs will be specified in the relevant legal documentation. It is expected that individual Issuing subsidiaries will discuss and potentially re-calibrate them with the lender group. At the time of writing, the envisioned interim SPTs represent a linear increase from the current performance to the 2030 target.		
	Trigger event:	The trigger events are to be specified in the legal documentation. The Company relies on yearly based targets tested annually on the 31 st of December.		

²⁶ ISS considers a KPI 'Partially Material' when not in line with SBTi latest methodology: companies may exclude up to 5% of scope 1 and scope 2 emissions combined in the boundary of the inventory and target. Companies may exclude a maximum of 5% of emissions from their total scope 3 inventory. More information available at <https://sciencebasedtargets.org/resources/files/SBTi-criteria.pdf>

	Long-term target:	<ul style="list-style-type: none"> ▪ CO₂ neutrality in the ÖBB Group 2040 – 2050 (Scope 1, 2 including buildings and Scope 3 in different application depths) and ▪ further traffic shifts by making the system more attractive and by increasing capacity - both through conventional expansion and using new technologies (doubling the capacity by 2040).
	Strategy and action plan to reach the target:	<p>To ensure a gradual reduction of energy consumption, the Company will have a multistep approach.</p> <ul style="list-style-type: none"> ▪ The first step will be to carry out energy audits including simulations to detect the main leverage for a reduction of energy consumption. ▪ They will also roll out additional gas and electric meters to better monitor the energy consumption and detect the inefficiencies. ▪ Also, measures will be taken to improve insulation, reduce gas consumption and diversify the energy supply. For example, the energy switch between gas to district heating system for one of the four factories could be replicated. ▪ They plan the Installation of PV capacities on the roof which is an effective measure to increase resilience of energy consumption as well as self-consumption rate.
	Key factors/risks beyond the Issuing subsidiary's direct control that may affect the achievement of the SPTs:	<ul style="list-style-type: none"> ▪ Impact of the energy crisis (not enough renewable energies available) ▪ Massive price increases ▪ Changes in underlying emission factors. ▪ Changes in norms/standards for measuring transport performance.
	Recalculations or pro-forma adjustments of baselines	The legal documentation will include a recalculation policy.
SPT 1.4		
Analysis	The level of ambition of the SPT is assessed as follows:	

(i) Against past performance:

ÖBB-Technische Services-GmbH provided 5 years of relevant historical data, including for the baseline year of 2018. The data are shown in Table 4. Calculating the compound annual growth rate (CAGR) of the past performance shows that the Issuing subsidiary achieved to reduce its specific total energy consumption in kWh/m²/100 employees by around 6.56% annually between 2018 and 2022.

TABLE 4.	2018 – BASELINE	2019	2020	2021	2022	2030 – SPT 1.4
KPI metric	7.28	6.41	6.26	6.38	5.55	6.04
CAGR 2018- 2022					-6.56%	
CAGR 2022 – 2030						-1.06%

Source: ÖBB Sustainable Finance Framework

ÖBB-Technische Services-GmbH sets this SPT so to reach a specific total energy consumption in kWh/100 employees/m² of around 6.04 kWh/m²/100 employees in 2030.

This would imply an annual decrease of the specific energy consumption, of 1.06% annually between 2022 and 2030. Therefore, the annualized reduction rate is slower than the 6.56% reduction achieved between 2018 and 2022.

In this context and compared to the baseline year, SPT 1.4 is not ambitious against the Company's past performance.

(ii) Against peers:

Please refer to the assessment of the SPT against peers in 'Calibration of SPT 1.1'.

(iii) Against international targets:

European Union

The EU has set ambitious energy efficiency targets for 2020 and 2030 to reduce primary and final energy consumption as part of its 2050 decarbonization objectives.

In December 2018, the amended Energy Efficiency Directive (EED) entered into force, updating some specific provisions from the 2012 directive (2012/27/EU) and introducing various new elements. Above all, it established a headline EU energy efficiency target for 2030 of at least 32.5% improvement (compared to projections of the expected energy use in 2030), with a clause for a possible upwards revision by 2023. The 32.5% target translates into a final energy consumption of 956 Mtoe and/or primary energy consumption of 1 273 Mtoe in the EU by 2030.

To achieve the 2030 targets, far more efforts are needed to achieve a structural reduction in energy consumption and avoid possible rebound effects when moving out of the COVID-19 pandemic. The recast directive puts forward an increased and binding EU energy efficiency target of 9% in 2030 compared to the projections of the 2020 Reference Scenario (787 Mtoe in final and 1 023 Mtoe in primary energy consumption, respectively).

In May 2022, in the context of the REPowerEU plan, the Commission proposed an increase to the binding EU energy efficiency target from 9% to 13% compared to the 2020 Reference Scenario (750 Mtoe in final and 980 Mtoe in primary energy consumption, respectively)²⁷.

The E.U. is defined as a strict energy efficiency target, however the KPI defined by ÖBB-Technische Services-GmbH is not strictly an energy efficiency target and therefore not directly comparable. Therefore, there is limited information to assess this SPT against European Union’s targets.

Austria

The draft integrated National Energy and Climate Plan (NECP) of Austria builds on the climate and energy strategy called #mission2030, which guides the long-term transformation of Austria’s energy system to meet the challenge of climate change. The draft plan puts a strong emphasis on the decarbonization and energy efficiency dimensions and related policies. This economic and industrial transformation needs to be underpinned by ambitious policies on the security of supply, internal market dimensions and research, innovation, and competitiveness dimensions²⁸.

For energy efficiency, similarly, Austria has not yet provided a specific figure of its contribution, but it has provided a range, based on an optimistic forecast and a more pessimistic forecast related to the improvement of the country’s primary energy intensity in the next decade (30 % and 25 % respectively in 2030 in comparison to 2015).

In this context, the target set by ÖBB-Technische Services-GmbH in the SPT 1.4 as an energy efficiency KPI is not considered ambitious against Austria’s national targets.

Selection of KPI 1.5 – ÖBB-Produktion GmbH

KPI 1.5 is defined as ‘the energy consumption traction current and expressed in Gbtkm/kWh’			
Opinion	<i>The KPI is relevant, core and moderately material to the Issuing subsidiary’s overall business. It is appropriately measurable, quantifiable, externally verifiable, verified and benchmarkable with limitations.</i>		
Assessment	Not aligned	Aligned	Best Practice
KPI 1.5 Characteristics and Features	KPI definition:	<p>ÖBB-Produktion GmbH is a joint subsidiary of ÖBB-Personenverkehr AG and Rail Cargo Austria AG and offers traction services. It provides the necessary logistics and ensures that operational safety and the driving resources used are guaranteed and checked. This involves traction services that the ÖBB Group provides for third parties outside the Group.</p> <p>KPI 1.5 is the energy consumption traction current in Gbtkm/kWh</p>	

²⁷ Factsheet - REPowerEU: Energy Savings and Energy Efficiency, May 2022, https://ec.europa.eu/commission/presscorner/detail/en/IP_22_3131

²⁸ National energy and climate plans (NECP) of Austria, Commission analysis and recommendations on draft NECPs, 2019, https://energy.ec.europa.eu/system/files/2019-06/necp_factsheet_at_final_0.pdf

	Scope and perimeter:	The scope of the KPI 1.5 is the energy consumption by the traction current in total gross tonne kilometers per kWh of the subsidiary ÖBB-Produktion GmbH. The KPI 1.5 covers 100% of the energy consumption of ÖBB-Produktion GmbH.
	Quantifiable/Externally verifiable:	The KPI is quantifiable. Indeed, it is calculated as the total energy consumption traction current in total gross tonne kilometers per kWh. Although, this energy consumption traction per subsidiary is not publicly disclosed.
	Externally verified:	The group's sustainability report is verified by an external party since 2019. The historical and baseline data for the KPI are, thus, verified indirectly as well. Starting in 2023, the Issuing subsidiary commits to having the KPI future data explicitly verified by an external reviewer as well.
	Benchmarkable:	KPI is easily comparable with the historical data reported by the Company. However, with limitations because the calculation methodology is not widespread in the market. Benchmarking of the SPT in relation to this KPI has been analyzed below.
KPI 1.5 Analysis	The KPI is considered:	

Relevant to ÖBB-Produktion GmbH's business as Climate protection and pollution prevention are considered key ESG issues faced by the Rail Transportation industry according key ESG standards for reporting and ISS ESG assessment, and as energy consumption makes up a large part of the Company's GHG emissions profile.

Core to ÖBB-Produktion GmbH's business as energy consumption affects core processes of ÖBB-Produktion GmbH's business model. To reduce the energy consumption, ÖBB-Produktion will implement energy optimization and efficiency measures such as: acquisition and modernization of traction units, adaptive train control or energy optimized working timetable. For example, the AZL project on Adaptive Train Guidance, which is expected to reach full effectiveness around 2026 and which allow automatic conflict detection, system-supported conflict resolution in operation management, and transmission of energy-optimized driving recommendations to locomotives is planned to contribute saving approximately 34,5 GWh of electricity. Also, the Traksys project on expansion of timetable planning with energy optimization, distribution of reserves to achieve as constant speeds as possible, consideration of coasting is expected to help ÖBB-Produktion GmbH save around 3,8 GWh of electricity.

Moderately Material to ÖBB-Produktion GmbH's as reducing the specific total energy consumption will enable the Company to moderate its impact on climate and contribute to pollution prevention in a significant way. The KPI covers 100% of the energy consumption of ÖBB-Produktion GmbH which enables the subsidiary to act significantly on the related GHG impact of its energy consumption. Indeed, as the Company's core activity is to offer traction services thanks to locomotive fleets and provide logistics to ensure traction, the energy consumption of traction current make up a significant of part the energy consumption and thus GHG emissions of the Company. Measure to reduce this specific energy ratio (with for example energy optimized network) will help ÖBB-Produktion GmbH's tackle key issues affecting the industry. However, it should be noted that, this KPI excludes any indirect

GHG emissions (i.e., stemming from Scope 3), which are usually significant in this industry, thus making it moderately material.

Calibration of SPT 1.5 - ÖBB-Produktion GmbH

SPT 1.5 is defined as a 'increase traction power electricity performance of ÖBB-Produktion GmbH to 41.49Gbtkm/kWh by 2028'				
Opinion	<i>The SPT is (i) qualitatively ambitious against the Company's past performance, (ii) ambitious against peers based on limited evidence, and (iii) there is limited information to assess the level of ambition against international targets. The target is set in a clear timeline and is supported by a strategy and action plan disclosed in the Company's framework.</i>			
Level of Ambition	No Evidence	Limited	Good	Robust
SPT 1.5	SPT definition:	Increase traction power electricity performance to 41.49Gbtkm/kWh by 2028		
Characteristics and Features	Baseline performance and year:	38.45 Gbtkm/kWh in 2017		
	Target performance and observation date:	41.49 Gbtkm/kWh in 2028 The annual interim SPTs will be specified in the relevant legal documentation. It is expected that individual Issuing subsidiaries will discuss and potentially re-calibrate them with the lender group. At the time of writing, the envisioned interim SPTs represent a linear increase from the current performance to the 2028 target.		
	Trigger event:	The trigger events are to be specified in the legal documentation. The Company relies on yearly based targets tested annually on the 31 st of December.		
	Long-term target:	For ÖBB Group to achieve CO ₂ neutrality by 2040 – 2050 (Scope 1, 2 including buildings and Scope 3 in different application depths), it is crucial that the energy consumption of its different subsidiaries is reduced. Also, increasing the efficiency of the power consumption of traction is crucial for ÖBB-Produktion GmbH.		
	Strategy and action plan to reach the target:	To improve its traction power electricity performance ÖBB-Produktion GmbH will focus its effort on the following measures: <ul style="list-style-type: none"> ▪ Occupancy-dependent air-conditioning control ▪ Adaptive train control ▪ Energy-optimized network timetable 		
	Key factors/risks beyond the Issuing subsidiary's direct control that may	<ul style="list-style-type: none"> ▪ Impact of the energy crisis (not enough renewable energies available) ▪ Changes in underlying emission factors. 		

	affect the achievement of the SPTs:	<ul style="list-style-type: none"> Changes in norms/standards for measuring transport performance.
	Recalculations or pro-forma adjustments of baselines	The legal documentation will include a recalculation policy.
SPT 1.5		
Analysis	The level of ambition of the SPT is assessed as follows:	

(i) Against past performance:

ÖBB-Produktion GmbH provided 5 years of relevant historical data, including for the baseline year of 2017. The data are shown in Table 5. Calculating the compound annual growth rate (CAGR) of the past performance shows that the Issuing subsidiary achieved to improve the electric power consumption of traction current by 1.06% annually between 2017 and 2022.

TABLE 5.	2017 – BASELINE	2018	2019	2020	2021	2022	2028 – SPT 1.5
KPI metric	38.45	n/a	38.58	40.04	40.05	40.54	41.49
CAGR 2017 – 2022						1.06%	
CAGR 2022 – 2028							0.39%

Source: ÖBB Sustainable Finance Framework

ÖBB-Produktion GmbH sets this SPT to reach a traction power electricity performance of 41.49 Gbtkm/kWh by 2028. This would imply an annual increase in performance of 0.39%. Therefore, the annualized reduction rate is slower than the previous improvement rate between 2017 and 2022.

Although, ÖBB-Produktion GmbH explains that some of the increase in performance between the year 2020 and 2022 (CAGR 0.39%) was due to the corona crisis. Indeed, the reduced traffic has increased punctuality in the rail network and thus improved energy efficiency.

As traffic returned to business-as-usual, contextual gains of punctuality faded and thus made efforts to maintain high performance harder. To continue improvement on traction power electricity performance, ÖBB-Produktion GmbH launched a set of measures:

- Introduction of the production-internal electronic driving recommendation "v-gen" (International "Driver Advisory Systems") in the TIM as of March 30, 2020, with the goal of a "Perfect Ride" (safety, regulation, behavior, quality, efficiency)
- Further increase of regenerative locomotives and railcars
- Implementation of DOSTO (double deck) warm operation

These measures are to increase traction power performance in the long-run and are the results of significant and costly innovations.

Thus, SPT 1.5 can be viewed as qualitatively ambitious against the Company’s past performance.

(ii) Against peers:

Please refer to the assessment of the SPT against peers in ‘Calibration of SPT 1.1’.

(iii) Against international targets:

Given the tailor-made definition of the KPI and an absence of quantified international targets related to the former, there is limited information available to assess the level of ambition of this SPT against international targets.

Selection of KPI 2

KPI 2 is defined as ‘percentage of women per subsidiary’			
Opinion	<i>The KPI is relevant, core and material to each ÖBB subsidiary’s overall business. It is appropriately measurable, quantifiable, externally verifiable, externally verified, and benchmarkable. It covers 95.7% of all employees of the subsidiaries mentioned in the framework.</i>		
Assessment	Not aligned	Aligned	Best Practice
KPI 2	KPI definition:	Percentage of women per subsidiary	
Characteristics and Features	Scope and perimeter:	<p>The KPI covers all staff members, including entry-level employees, manager, and executive positions. The KPI covers fixed-term and permanent contracts. It excludes military, civilian service and leaves of absence. The extent of the scope differs upon subsidiary. In particular,</p> <ul style="list-style-type: none"> ▪ ÖBB-Personenverkehr AG employs 3,000 people. Out of the entire subgroup, only around 300 employees are excluded from the scope. This is justified as Österreichische Postbus AG, ÖBB-Produktion GmbH and Technische Services-GmbH are assessed separately and have a dedicated SPT set at entity level. ▪ The Rail Cargo Group employs around 5,800 people in Austria and abroad. The specified diversity KPI refers to the subsidiary Rail Cargo Austria AG with around 1,600 employees (which accounts for 28% employees of the 	

		<p>subgroup and 95% of the employees who work in Austria).</p> <ul style="list-style-type: none"> ▪ Österreichische Postbus AG employs around 3,900 people, and the specified diversity KPI includes 100% of the employees. The foreign subsidiary of Österreichische Postbus AG (ČSAD AUTOBUSY České Budějovice a.s.) employs around 390 people (around 10%) and is excluded from the scope of this KPI as the subsidiary will not benefit from the ESG-linked financing. ▪ ÖBB-Technische Services-GmbH employs 3,900 people. Around 51 employees of a subsidiary Company (ÖBB Stadler Service GmbH) are excluded from the scope of this KPI. ▪ ÖBB-Produktion GmbH employs around 6,700 people, and the specified diversity KPI includes 100% of the employees. ▪ Rail Equipment GmbH & Co KG employs around 40 people, the specified diversity KPI includes 100% of the employees.
	<p>Quantifiable/Externally verifiable:</p>	<p>The KPI is quantifiable, since it is measured as the proportion of women working in the Company. The methodology is clear, counted by headcount including apprentices.</p> <p>It is externally verifiable since the results are disclosed annually on the Company's Diversity Charter.</p>
	<p>Externally verified:</p>	<p>The group's sustainability report is verified by an external party since 2019. The historical and baseline data for the KPI are, thus, verified indirectly as well. Starting in 2023, the Issuing subsidiary commits to having the KPI future data explicitly verified by an external reviewer as well.</p>
	<p>Benchmarkable:</p>	<p>Data on female representation is commonly reported by other companies, hence, it is comparable. Nonetheless, there are some complexities with benchmarking this KPI as companies typically report differently on the share of women across different job levels. For example, some may report on the percentage of women out of total employees, while others report on the share of women in executive committee or the share of women in the board of directors. ÖBB computes this KPI out of all eligible employees at each work level with a fixed-term or a permanent contract.</p>
<p>KPI 2</p>	<p>The KPI is considered:</p>	

Analysis

Relevant each ÖBB subsidiary's business as it relates to the topic of gender parity and equal opportunities which is a relevant ESG topic across most industries. This is also true in particular for the Rail & Road Transportation companies, which are categorized as Commercial Support Services, where 'fair, safe, and non-discriminatory working conditions' is a key ESG issue, according to ISS ESG. According to The World Economic Forum, there is a significant discrepancy between men and women's involvement in the transport and logistics industry, with females representing only 23% of the employees in the Europe and Central Asia region²⁹. As a result, gender disparities remain a significant issue in society, and investors are increasingly interested in financing products and services that aim to ease women's employment and bridge the gender income gap.

Core to each relevant issuing ÖBB subsidiary's business as equal opportunities and equal treatment between employees, promotion of diversity and a good work life balance directly relates to the Company's hiring strategy and career development plans which emphasize recruitment elements that appeal to female candidates. To do so the ÖBB Group uses the FKI index³⁰ as a benchmark, along with in-depth interviews, to define relevant measures and areas of action to achieve these goals. These include: anchoring women's demand in ÖBB's strategies; working hours and home-office flexibility; sharing knowledge through mentorship program for female (working) students and apprentices in Austria, as well as for target group for women with the age 50+; a cross-mentoring program (CMO) to support female talents in their development towards assuming management responsibility; promoting a supporting network through Company meetings and events, development of the maternity leave policy related to the possibility of maintaining minor part-time employment during maternity leave (on a case-by-case basis), implementation of good communication and anti-discriminatory policy, increasing the attractiveness of paternity leave; increase the number of women in management positions. On the latter, a key feature of the ÖBB Group's business strategy is linking the performance of top executives to their remuneration, as deemed significant to the success of the Company. The 'performance-related component' is responsible for 1/3 of the received salary and is calculated on the basis of the achievement of annual quantitative targets (mostly economic, social, and ecological). These actions are supported by cooperation and training programs with the labor market service in Austria (AMS), Austrian Integration Fund (ÖIF) and various Non-Profit-Organizations (NPOs), as well as online coaching and industry cross-mentoring programs for women and men. Moreover, specific measures are taken at subsidiary level:

- **ÖBB-Personenverkehr AG:** organization of a Junior management program which includes 50% of women in the application process (7 out of 14); opportunities for part-time shift work for train attendants; study program "Study & Rail" for train attendants; Apprenticeship program "Mobility Service" since September 2022 which includes 26 girls out 48 apprentices.
- **Österreichische Postbus AG:** comprehensive introduction of the buddy system to facilitate the onboarding in the operational area for gender-heterogeneous couples/teams; sharing job advertisements to reach more women for new positions in the Österreichische Postbus AG (all newly advertised job advertisements will be checked for gender-sensitive and inclusive

²⁹ World Economic Forum, 6 February 2023, 'Here's why we need to get more women in transport and logistics', <https://www.weforum.org/agenda/2023/02/women-transport-logistics-jobs/#:~:text=Women%20are%20underrepresented%20in%20transport,remove%20barriers%20to%20women's%20employment>

³⁰ Women's Career Index (FKI), <https://fki-diversity.com/en/>

language); developing an employer branding to increase the visibility of women in the relevant work environment of Österreichische Postbus AG

- **ÖBB-Technische Services-GmbH:** creation of its own network for the promotion and better networking of women “Women @ Train Tech” to strengthen the promotion and equality of women in the workshops and simultaneously attracting a higher female participation; as well as to enable a regular exchange with the management and interesting role models.
- **ÖBB-Produktion GmbH:** regular network meetings (in person or online) combined with an open house or taster day for women, maintaining employability for women on maternity leave with part-time options to maintain qualifications and evaluate managers and team coordinators in areas with a particularly high proportion of women (e.g., in operational service) to determine role models and create best practice.

Lastly, it is worth noting that each issuing subsidiary sets targets individually based on their respective personnel’s budget planning. As a consequence, different starting points and also different requirements for employees per subsidiary may apply. It is also important to mention that in the technical area, for ÖBB-Technische Services-GmbH and ÖBB-Produktion GmbH, it is much more difficult to find female employees than in office jobs.

Material to each ÖBB subsidiary’s business model and sustainability profile from an ESG perspective as gender diversity and a diverse workforce, specifically with respect to employees that are in positions of responsibility, is associated with better overall ESG performance. The KPI covers each ÖBB subsidiary’s permanent and fixed-term contracts across ÖBB Group’ global presence. It is worth noting that the KPI is widely comprehensive, as it encompasses all career levels and employment contracts, including women representation in the board, in executive roles and in workforce. Furthermore, the cross-mentoring program represents an innovative measure to support women in management positions and increase female engagement in the overall workforce.

- This KPI is therefore material to ÖBB-Produktion GmbH, Rail Equipment GmbH & Co KG and Rail Cargo Austria AG, as the KPI covers 100% of the employees. Moreover, each subsidiary of ÖBB has set initiatives to support women’s representation in managerial positions.
- For ÖBB-Personenverkehr AG and Österreichische Postbus AG the KPI covers 90% of the employees as it excludes the foreign subsidiary from the scope (10%). For ÖBB-Technische Services-GmbH it excludes about 1,3% of the employees as belonging to the foreign subsidiary. Overall, a wide majority of the workforce, around 95.7%, is being covered including also female employees in executive positions, whilst women’s representation of ÖBB’s suppliers’ will not. Therefore, this KPI is assessed as material.

Calibration of SPT 2.1 - ÖBB-Personenverkehr AG

SPT 2.1 defined as ‘Increase the percentage of women to 38.9% in 2026 for ÖBB-Personenverkehr AG’

Opinion	<i>The SPT is (i) not ambitious against the issuing subsidiary's past performance, (ii) ambitious against industry peers, and (iii) there is limited information to assess the level of ambition against international target. The target is set in a clear timeline and is supported by a strategy and action plan disclosed in the Company's framework</i>			
Level of Ambition	No Evidence	Limited	Good	Robust
SPT 2.1 Characteristics and Features	SPT definition:	Increase the proportion of women in all the workforce including management and executive positions by 7.4 percentage points in 2026 from a 2021 base year		
	Baseline performance and year:	31.5% of women in position in 2021		
	Target performance and observation date:	<p>The issuing subsidiary aims to achieve an annual increase of women's percentage out of total employees of:</p> <ul style="list-style-type: none"> ▪ 38.9% in 2026 <p>The annual interim SPTs will be specified in the relevant legal documentations. It is expected that individual Issuing subsidiaries will discuss and potentially re-calibrate them with the lender group. At the time of writing, the envisioned interim SPTs represent a steady increase from the current performance to the 2026 target.</p>		
	Trigger event:	The trigger events are to be specified in the legal documentation. The Company relies on yearly based targets tested annually on the 31 st of December.		
	Long-term target:	N/A		
	Strategy and action plan to reach the target:	<p>ÖBB-Personenverkehr AG aims to work toward a more inclusive and diverse workplace and has enacted several measures to empower women and increase their percentage in the workforce including management and executive roles:</p> <ul style="list-style-type: none"> ▪ building cooperation and organizing training programs (including with AMS, ÖIF and various NPOs) ▪ offering career development programs and online coaching for women ▪ providing qualification offers in diversity management ▪ enhancing network through Company's events <p>The ÖBB-Personenverkehr AG tracks the achievement of its target through an annual report on gender diversity at a subsidiary level and makes use of the Women's Career Index and internal interviews as a benchmark instrument to track improvements.</p>		

Key factors/risks beyond the issuing subsidiary's direct control that may affect the achievement of the SPTs:	Scarcity of female workforce in the railway sector.
Recalculations or pro-forma adjustments of baselines	The legal documentation will include a recalculation policy.

SPT 2.1	The level of ambition of the SPT is assessed as follows:
Analysis	

(i) Against past performance:

ÖBB-Personenverkehr AG provided 3 years of relevant historical data, including for the baseline year of 2021. The data are shown in Table 6. Calculating the average annual increase of the past performance shows that the issuing subsidiary has achieved an average annual increase of 1.4 percentage points between 2019 and 2022 for KPI 2.1.

TABLE 6.	2019	2020	2021 – BASELINE	2022	2026 – SPT 2.1
KPI metric	28.6%	30.3%	31.5%	32.8%	38.9%
Average annual increase, in percentage points (2019 – 2022)				1.4 pp	
Average annual increase, in percentage points (2022 – 2026)					1.53 pp

Source: ÖBB Sustainable Finance Framework

ÖBB-Personenverkehr AG sets SPT 2.1 to achieve a share of 38.9% women in its workforce by 2026. This amounts to an average annual increase of 1.53 percentage points between 2022 and 2026, meaning that the projected average annual increase to achieve SPT 2.1 is quantitatively larger than what has been observed in the past.

Therefore, we conclude that the SPT is quantitatively ambitious against past performance.

(ii) Against peers:

In order to benchmark the SPT of this individual issuing subsidiary, we conducted a benchmarking of ÖBB Group against a peer group of 14 National Railway Companies (including the Issuer) in Western Europe and Scandinavia.

In fact, many of these companies are also diversified (in terms of activity, and often with a host of specialized subsidiaries like ÖBB Group) but target setting most often takes place at group level.

Because ÖBB confirms that the targets of each individual issuing subsidiaries contribute to and are aligned with the achievement of the group target, the latter being a composite average of the subsidiary sub-targets included in this framework, we use ÖBB Group’s target as a proxy for said subsidiaries.

Aside from ÖBB Group, only one other peer sets a target covering the percentage of women in the workforce, thus placing it in the top 14% of companies in terms of setting a target for gender diversity including management positions. It is important to remind that this assessment is done at group level and does not take into account the specificities of the business activity of each subsidiary, being that some involve technical or manual labor that does not ‘attract’ a meaningful proportion of female workforce. Thus, they require different supporting target measures to increase gender equality.

Therefore, we conclude that the SPTs set by individual issuing subsidiaries are collectively ambitious compared to ÖBB Group’s industry peers in terms of setting a gender diversity target.

(iii) Against international targets:

The United Nations Sustainable Development Goal 5 “Gender equality” defines the following sub-target to achieve gender equality: “5.5: Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life”. The associated indicator defined by the UN and relevant for the private sector specifies the focus of this target: “Proportion of women in managerial positions (5.5.2)”. This indicator refers to the proportion of females in the total number of persons employed in managerial positions. By advancing the proportion of women in managerial positions as defined by the UN’s associated indicator, ÖBB-Personenverkehr AG contributes to achieving SDG 5. The 5.5.2 sub-target³¹ implies a 50%-50% target of gender representation in managerial positions by 2030.

Given the absence of a quantified international target on gender diversity, there is limited information available to assess the level of ambition of this SPT against international targets.

Calibration of SPT 2.2 - Rail Cargo Austria AG

SPT 2.2 defined as ‘Increase the percentage of women to 40.5% in 2026 for Rail Cargo Austria AG’

Opinion	<i>The SPT is (i) qualitatively ambitious against the Company’s past performance, (ii) ambitious against industry peers, and (iii) there is limited information to assess the level of ambition against international target. The target is set in a clear timeline and is supported by a strategy and action plan disclosed in the Company’s framework.</i>			
Level of Ambition	No Evidence	Limited	Good	Robust
SPT 2.2	SPT definition:	Increase the proportion of women in all the workforce including management and executive positions by 6.7 percentage points in 2026 from a 2021 base year		

³¹ Sustainable Development Goals, Indicator 5.5.2, <https://sdgdata.gov.uk/5-5-2/>

Characteristics and Features	Baseline performance and year:	33.8% of women in position in 2021
	Target performance and observation date:	<p>The Company aims to achieve an annual increase of women’s percentage out of total employees of:</p> <ul style="list-style-type: none"> ▪ 40.5% in 2026 <p>The annual interim SPTs will be specified in the relevant legal documentations. It is expected that individual Issuing subsidiaries will discuss and potentially recalibrate them with the lender group. At the time of writing, the envisioned interim SPTs represent a steady increase from the current performance to the 2026 target.</p>
	Trigger event:	The trigger events are to be specified in the legal documentation. The Company relies on yearly based targets tested annually on the 31 st of December.
	Long-term target:	N/A
	Strategy and action plan to reach the target:	<p>Rail Cargo Austria AG aims to work toward a more inclusive and diverse workplace and has enacted several measures to empower women and increase their percentage in the workforce including management and executive roles:</p> <ul style="list-style-type: none"> ▪ building cooperation and organizing training programs (including with AMS, ÖIF and various NPOs) ▪ offering career development programs and online coaching for women ▪ providing qualification offers in diversity management ▪ enhancing network through Company’s events <p>The Rail Cargo Austria AG tracks the achievement of its target through an annual report on gender diversity at a subsidiary level and makes use of the Women’s Career Index and internal interviews as a benchmark instrument to track improvements.</p>
	Key factors/risks beyond the Issuing subsidiary’s direct control that may affect the achievement of the SPTs:	Scarcity of female workforce in the railway sector.
	Recalculations or pro-forma adjustments of baselines	The legal documentation will include a recalculation policy.
SPT 2.2		
Analysis	The level of ambition of the SPT is assessed as follows:	

(i) Against past performance:

Rail Cargo Austria AG provided 3 years of relevant historical data, including for the baseline year of 2021. The data are shown in Table 7. Calculating the average annual increase of the past performance shows that the Issuing subsidiary has achieved an average annual increase of 2.93 percentage points between 2019 and 2022 for KPI 2.2.

TABLE 7.	2019	2020	2021 – BASELINE	2022	2026 – SPT 2.2
KPI metric	27.3%	32.9%	33.8%	36.1%	40.5%
Average annual increase, in percentage points (2019 – 2022)				2.93pp	
Average annual increase, in percentage points (2022 – 2026)					1.1 pp

Source: ÖBB Sustainable Finance Framework

Rail Cargo Austria AG sets SPT 2.2 to achieve 40.5% of women in the workforce by 2026. Calculating absolute annual increase amounts to an average of 1.1 percentage points annual increase between 2022 and 2026.

Although the projected average annual increase to achieve SPT 2.2 is quantitatively smaller than the historical data, it is worth underlining that due to the scarcity of female workers in the logistics sector³², there are considerable limitations for performance improvement that go beyond the Issuer’s commitment.

On this ground, we conclude the SPT is ambitious from a qualitative perspective.

(ii) Against peers:

Please refer to the assessment of the SPT against peers in ‘Calibration of SPT 2.1’.

(iii) Against international targets:

Please refer to the assessment of the SPT against international targets in ‘Calibration of SPT 2.1’.

Calibration of SPT 2.3 - Österreichische Postbus AG

SPT 2.3 defined as ‘Increase the percentage of women to 14.4% in 2026 for Österreichische Postbus AG’

³² Women working in transport, European Parliament, 2022,
[https://www.europarl.europa.eu/RegData/etudes/ATAG/2022/729293/EPRS_ATAG\(2022\)729293_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/ATAG/2022/729293/EPRS_ATAG(2022)729293_EN.pdf)

Opinion	<i>The SPT is (i) ambitious against the Company's past performance, (ii) ambitious against industry peers, and (iii) there is limited information to assess the level of ambition against international target. The target is set in a clear timeline and is supported by a strategy and action plan disclosed in the Company's framework</i>			
Level of Ambition	No Evidence	Limited	Good	Robust
SPT 2.3 Characteristics and Features	SPT definition:	Increase the proportion of women in all the workforce including management and executive positions by 5.1 percentage points in 2026 from a 2021 base year		
	Baseline performance and year:	9.3% of women in position in 2021		
	Target performance and observation date:	<p>The Company aims to achieve an annual increase of women's percentage out of total employee of:</p> <ul style="list-style-type: none"> ▪ 14.4% in 2026 <p>The annual interim SPTs will be specified in the relevant legal documentations. It is expected that individual Issuing subsidiaries will discuss and potentially re-calibrate them with the lender group. At the time of writing, the envisioned interim SPTs represent an increase from the current performance to the 2026 target.</p>		
	Trigger event:	The trigger events are to be specified in the legal documentation. The Company relies on yearly based targets tested annually on the 31 st of December.		
	Long-term target:	N/A		
	Strategy and action plan to reach the target:	<p>Österreichische Postbus AG aims to work toward a more inclusive and diverse workplace and has enacted several measures to empower women and increase their percentage in the workforce including management and executive roles:</p> <ul style="list-style-type: none"> ▪ building cooperation and organizing training programs (including with AMS, ÖIF and various NPOs) ▪ offering career development programs and online coaching for women ▪ providing qualification offers in diversity management ▪ enhancing network through Company's events <p>The Österreichische Postbus AG tracks the achievement of its target through an annual report on gender diversity at a subsidiary level and makes use of the Women's Career Index and internal interviews as a benchmark instrument to track improvements.</p>		
	Key factors/risks beyond the issuing subsidiary's direct control that may	Scarcity of female workforce in the railway sector.		

	affect the achievement of the SPTs:	
	Recalculations or pro-forma adjustments of baselines	The legal documentation will include a recalculation policy.
SPT 2.3		
Analysis	The level of ambition of the SPT is assessed as follows:	

(i) Against past performance:

Österreichische Postbus AG provided 3 years of relevant historical data, including for the baseline year of 2021. The data are shown in Table 8. Calculating the average annual increase of the past performance shows that Österreichische Postbus AG has achieved an average annual increase of 0.53 percentage points between 2019 and 2022 for KPI 2.3.

TABLE 8.	2019	2020	2021 – BASELINE	2022	2026 – SPT 2.3
KPI metric	8.1%	9.0%	9.3%	9.7%	14.4%
Average annual increase, in percentage points (2019 – 2022)				0.53 pp	
Average annual increase, in percentage points (2022 – 2026)					1.18 pp

Source: ÖBB Sustainable Finance Framework

Österreichische Postbus AG sets SPT 2.3 to achieve 14.4% women in the workforce by 2026. This amounts to an average annual increase of 1.18 percentage points between 2022 and 2026, meaning that the projected average annual increase to achieve SPT 2.3 is quantitatively larger than what has been observed in the past.

Therefore, we conclude that the SPT is quantitatively ambitious against past performance.

(ii) Against peers:

Please refer to the assessment of the SPT against peers in ‘Calibration of SPT 2.1’.

(iii) Against international targets:

Please refer to the assessment of the SPT against international targets in ‘Calibration of SPT 2.1’.

Calibration of SPT 2.4 - ÖBB-Technische Services-GmbH

SPT 2.4 defined as 'Increase the percentage of women to 10.2% in 2026 for ÖBB-Technische Services-GmbH'

Opinion	<i>The SPT is (i) ambitious against the Company's past performance, (ii) ambitious against industry peers, and (iii) there is limited information to assess the level of ambition against international target. The target is set in a clear timeline and is supported by a strategy and action plan disclosed in the Company's framework</i>			
Level of Ambition	No Evidence	Limited	Good	Robust
SPT 2.4	SPT definition:	Increase the proportion of women in all the workforce including management and executive positions by 3.4 percentage points in 2026 from a 2021 base year		
Characteristics and Features	Baseline performance and year:	6.8% of women in position in 2021		
	Target performance and observation date:	<p>The Company aims to achieve an annual increase of women's percentage out of total employee of:</p> <ul style="list-style-type: none"> ▪ 10.2% in 2026 <p>The annual interim SPTs will be specified in the relevant legal documentations. It is expected that individual Issuing subsidiaries will discuss and potentially re-calibrate them with the lender group. At the time of writing, the envisioned interim SPTs represent an increase from the current performance to the 2026 target.</p>		
	Trigger event:	The trigger events are to be specified in the legal documentation. The Company relies on yearly based targets tested annually on the 31 st of December.		
	Long-term target:	N/A		
	Strategy and action plan to reach the target:	<p>ÖBB-Technische Services-GmbH aims to work toward a more inclusive and diverse workplace and has enacted several measures to empower women and increase their percentage in the workforce including management and executive roles:</p> <ul style="list-style-type: none"> ▪ building cooperation and organizing training programs (including with AMS, ÖIF and various NPOs) ▪ offering career development programs and online coaching for women ▪ providing qualification offers in diversity management ▪ enhancing network through Company's events <p>The ÖBB-Technische Services-GmbH tracks the achievement of its target through an annual report on gender diversity at a subsidiary level and makes use of</p>		

		the Women’s Career Index and internal interviews as a benchmark instrument to track improvements.
	Key factors/risks beyond the issuing subsidiary’s direct control that may affect the achievement of the SPTs:	Scarcity of female workforce in the railway sector.
	Recalculations or pro-forma adjustments of baselines	The legal documentation will include a recalculation policy.

SPT 2.4	
Analysis	The level of ambition of the SPT is assessed as follows:

(i) Against past performance:

ÖBB-Technische Services-GmbH provided 3 years of relevant historical data, including for the baseline year of 2021. The data are shown in Table 9. Calculating the average annual increase of the past performance shows that ÖBB-Technische Services-GmbH has achieved an average yearly increase of 0.67 percentage point between 2019 and 2022 for KPI 2.4.

TABLE 9.	2019	2020	2021 – BASELINE	2022	2026 – SPT 2.4
KPI metric	5.2%	5.9%	6.8%	7.2%	10.2%
Average annual increase, in percentage points (2019 – 2022)				0.67 pp	
Average annual increase, in percentage points (2022 – 2026)					0.75 pp

Source: ÖBB Sustainable Finance Framework

ÖBB-Technische Services-GmbH sets SPT 2.4 to achieve 10.2% women in the workforce by 2026. Calculating the absolute increase amounts to an average of 0.75 percentage points annual increase between 2022 and 2026.

Since the projected average annual increase to achieve SPT 2.4 is quantitatively larger than what has been observed in the past, we conclude that the SPT is quantitatively ambitious against past performance.

(ii) Against peers:

Please refer to the assessment of the SPT against peers in ‘Calibration of SPT 2.1’.

(iii) Against international targets:

Please refer to the assessment of the SPT against international targets in ‘Calibration of SPT 2.1’.

Calibration of SPT 2.5 - ÖBB-Produktion GmbH

SPT 2.5 defined as ‘Increase the percentage of women to 7.2% in 2026 for ÖBB-Produktion GmbH’

Opinion	<i>The SPT is (i) quantitatively ambitious against the Company’s past performance, (ii) ambitious against industry peers, and (iii) there is limited information to assess the level of ambition against international target. The target is set in a clear timeline and is supported by a strategy and action plan disclosed in the Company’s framework</i>			
Level of Ambition	No Evidence	Limited	Good	Robust
SPT 2.5 Characteristics and Features	SPT definition:	Increase the proportion of women in all the workforce including management and executive positions by 2.7 percentage points in 2026 from a 2021 base year		
	Baseline performance and year:	4.5% of women in position in 2021		
	Target performance and observation date:	<p>The Company aims to achieve an annual increase of women’s percentage out of total employee of:</p> <ul style="list-style-type: none"> ▪ 7.2% in 2026 <p>The annual interim SPTs will be specified in the relevant legal documentations. It is expected that individual Issuing subsidiaries will discuss and potentially re-calibrate them with the lender group. At the time of writing, the envisioned interim SPTs represent an increase from the current performance to the 2026 target.</p>		
	Trigger event:	The trigger events are to be specified in the legal documentation. The Company relies on yearly based targets tested annually on the 31 st of December.		
	Long-term target:	N/A		
	Strategy and action plan to reach the target:	<p>ÖBB-Produktion GmbH aims to work toward a more inclusive and diverse workplace and has enacted several measures to empower women and increase their percentage in the workforce including management and executive roles:</p> <ul style="list-style-type: none"> ▪ building cooperation and organizing training programs (including with AMS, ÖIF and various NPOs) ▪ offering career development programs and online coaching for women ▪ providing qualification offers in diversity management 		

		<ul style="list-style-type: none"> enhancing network through Company’s events <p>The ÖBB-Produktion GmbH tracks the achievement of its target through an annual report on gender diversity at a subsidiary level and makes use of the Women’s Career Index and internal interviews as a benchmark instrument to track improvements.</p>
	Key factors/risks beyond the Issuing subsidiary’s direct control that may affect the achievement of the SPTs:	Scarcity of female workforce in the railway sector.
	Recalculations or pro-forma adjustments of baselines	The legal documentation will not include a recalculation policy.

SPT 2.5	
Analysis	The level of ambition of the SPT is assessed as follows:

(i) Against past performance:

ÖBB-Produktion GmbH provided 3 years of relevant historical data, including for the baseline year of 2021. The data are shown in Table 10. Calculating the absolute increase of the past performance shows that ÖBB-Produktion GmbH has achieved an average yearly increase of 0.4 percentage points between 2019 and 2022 for KPI 2.5.

TABLE 10.	2019	2020	2021 – BASELINE	2022	2026 – SPT 2.5
KPI metric	3.9%	4.1%	4.5%	5.1%	7.2%
Average annual increase, in percentage points (2019 – 2022)				0.4 pp	
Average annual increase, in percentage points (2022 – 2026)					0.53 pp

Source: ÖBB Sustainable Finance Framework

ÖBB-Produktion GmbH sets SPT 2.5 to achieve share of 7.2% of women in the workforce by 2026. Calculating the absolute increase amounts to an average increase of 0.53 percentage points between 2022 and 2026, which is in line compared to what was observed in the past.

Therefore, we conclude that the SPT is quantitatively ambitious against past performance.

(ii) Against peers:

Please refer to the assessment of the SPT against peers in ‘Calibration of SPT 2.1’.

(iii) Against international targets:

Please refer to the assessment of the SPT against international targets in ‘Calibration of SPT 2.1’.

Calibration of SPT 2.6 – Rail Equipment GmbH & Co KG

SPT 2.6 defined as ‘Increase the percentage of women to 34.4% in 2026 for Rail Equipment GmbH & Co KG’

Opinion	<i>The SPT is (i) ambitious against the Company’s past performance, (ii) ambitious against industry peers, and (iii) there is limited information to assess the level of ambition against international target. The target is set in a clear timeline and is supported by a strategy and action plan disclosed in the Company’s framework</i>			
Level of Ambition	No Evidence	Limited	Good	Robust
SPT 2.6 Characteristics and Features	SPT definition:	Increase the proportion of women in all the workforce including management and executive positions by 3.6 percentage points in 2026 from a 2021 base year		
	Baseline performance and year:	30.8% of women in position in 2021		
	Target performance and observation date:	<p>The Company aims to achieve an annual increase of women’s percentage out of total employee of:</p> <ul style="list-style-type: none"> ▪ 34.4% in 2026 <p>The annual interim SPTs will be specified in the relevant legal documentations. It is expected that individual Issuing subsidiaries will discuss and potentially re-calibrate them with the lender group. At the time of writing, the envisioned interim SPTs represent an increase from the current performance to the 2026 target.</p>		
	Trigger event:	The trigger events are to be specified in the legal documentation. The Company relies on yearly based targets tested annually on the 31 st of December.		
	Long-term target:	N/A		
	Strategy and action plan to reach the target:	<p>Rail Equipment GmbH & Co KG aims to work toward a more inclusive and diverse workplace and has enacted several measures to empower women and increase their percentage in the workforce including management and executive roles:</p> <ul style="list-style-type: none"> ▪ building cooperation and organizing training programs (including with AMS, ÖIF and various NPOs) ▪ offering career development programs and online coaching for women ▪ providing qualification offers in diversity management 		

		<ul style="list-style-type: none"> enhancing network through Company's events <p>The Rail Equipment GmbH & Co KG the achievement of its target through an annual report on gender diversity at a subsidiary level and makes use of the Women's Career Index and internal interviews as a benchmark instrument to track improvements.</p>
	Key factors/risks beyond the Issuing subsidiary's direct control that may affect the achievement of the SPTs:	Scarcity of female workforce in the railway sector.
	Recalculations or pro-forma adjustments of baselines	The legal documentation will not include a recalculation policy.
SPT 2.6		
Analysis	The level of ambition of the SPT is assessed as follows:	

(i) Against past performance:

The Rail Equipment GmbH & Co KG provided 3 years of relevant historical data, including for the baseline year of 2021. The data are shown in Table 11. Calculating the average annual increase of the past performance shows that Rail Equipment GmbH & Co KG has achieved an average annual change of -0.2 percentage points between 2019 and 2022 for KPI 2.6. The Company states that the recent decrease is attributable to the small size of the Company – around 40 people – which means that departures (e.g., for retirement) can have a significant impact on gender balance.

TABLE 11.	2019	2020	2021 – BASELINE	2022	2026 – SPT 2.6
KPI metric	31.6 %	31.6%	30.8%	31.0%	34.4%
Average annual increase, in percentage points (2019 – 2022)				-0.2 pp	
Average annual increase, in percentage points (2022 – 2026)					0.85 pp

Source: ÖBB Sustainable Finance Framework

Rail Equipment GmbH & Co KG sets SPT 2.6 to achieve a share of 34.4% women in the workforce by 2026. This amounts to an average annual increase of 0.85 percentage points between 2022 and 2026, meaning that the projected average annual increase to achieve SPT 2.6 is quantitatively larger than what has been observed in the past.

Therefore, we conclude that the SPT is quantitatively ambitious against past performance.

(ii) Against peers:

Please refer to the assessment of the SPT against peers in ‘Calibration of SPT 2.1’.

(iii) Against international targets:

Please refer to the assessment of the SPT against international targets in ‘Calibration of SPT 2.1’.

Selection of KPI 3

KPI 3 is defined as ‘Annual occupational safety index per 1000 employees’

Opinion	<i>The KPI is relevant, core and partially material to the each ÖBB subsidiary’s overall business. It is appropriately measurable, quantifiable, externally verifiable but not externally verified before 2023 and benchmarkable within its Austrian peers.</i>		
Assessment	Not aligned	Aligned	Best Practice
KPI 3 Characteristics and Features	KPI definition:	Occupational safety index involving ÖBB employees with at least three lost days according to General Social Security Act (ASVG) per 1,000 employees. It is calculated in the following manner: $\frac{12 \text{ months sum of accidents (at least 3 days missed per ASVG)} \times 1000}{\text{Average employee number}}$	
	Scope and perimeter:	The KPI scope and perimeter are transparently defined as by each of the subsidiaries. This KPI only relates to ÖBB employees, (sub)contractors will not be covered. The extent of the scope differs upon subsidiary. In particular, <ul style="list-style-type: none"> ▪ ÖBB-Personenverkehr AG employs 3,000 people. Out of the entire subgroup, only around 300 employees are excluded from the scope. This is justified as Österreichische Postbus AG, ÖBB-Produktion GmbH and Technische Services-GmbH are assessed separately and have a dedicated SPT set at entity level. ▪ The Rail Cargo Group employs around 5,800 people in Austria and abroad. The specified occupational safety KPIs refer to the subsidiary Rail Cargo Austria AG with around 1,500 employees (which accounts for 28% 	

		<p>employees of the subgroup and 95% of the employees who work in Austria).</p> <ul style="list-style-type: none"> ▪ Österreichische Postbus AG employs around 3,900 people, and the specified diversity KPI includes 100% of the employees. The foreign subsidiary of Österreichische Postbus AG employs around 390 people (around 10%) and is excluded from the scope of this KPI as the subsidiary will not benefit from the ESG-linked financing. ▪ ÖBB-Technische Services-GmbH employs 3,900 people. Around 51 employees that are employed by the division of a subsidiary Company (ÖBB Stadler Service GmbH) are excluded from the scope of this KPI. ▪ ÖBB-Produktion GmbH employs around 6,700 people, and the specified occupational safety KPI includes 100% of the employees. ▪ Rail Equipment GmbH & Co KG employs around 40 people, the specified occupational safety KPI includes 100% of the employees.
	<p>Quantifiable/Externally verifiable:</p>	<p>The KPI is quantifiable since it is calculated as an occupational safety index. The index tracks all accidents that led to at least three missed days of work, this is then multiplied by 1000 and divided by the average employee number, to get the result. By dividing it by the hours worked, we can calculate the Total Recordable Incident Rate (TRIR). The TRIR is also provided in the sustainability report of the ÖBB. It is externally verifiable, because ÖBB must report their accidents by law. The Issuing subsidiary is referring to key reporting methods such as the General Social Security Act. Moreover, the occupationally safety index is a key KPI in the railway industry.</p>
	<p>Externally verified:</p>	<p>The group's sustainability report is verified by an external party since 2019. The historical and baseline data for the KPI are, thus, verified indirectly as well. Starting in 2023, the Issuing subsidiary commits to having the KPI future data explicitly verified by an external reviewer as well.</p>
	<p>Benchmarkable:</p>	<p>By referring to the ASVG, the KPI is easily comparable with the data reported by other companies in the national Austrian sphere. However, to compare the KPI with international metrics such as the (LTIR), the KPI must be divided by the number of hours worked and accidents at scope should include accident without lost time also. The benchmarking of the SPT in relation to this KPI has been analyzed below.</p>

KPI 3

Analysis

The KPI is considered:

Relevant to each ÖBB subsidiary's business as labor standards and working conditions are considered a key ESG issues faced by the Rail & Road Transportation companies, which are categorized as Commercial Support Services, according to key ESG standards³³ for reporting and ISS ESG assessment.

Core to each ÖBB subsidiary's business as worker safety affect key processes and operations that are core to the business model of each ÖBB subsidiary. The Company will have to introduce preventative safety measures, safety awareness measures and the implementation of the harmonization of minimum standards in relation to personal protective equipment (PPE). Currently, ÖBB Group spends around 6 million euros, which equates to around 0.16 percent of its capital expenditure, in PPE for its employees, whilst also providing mental health support through its partner WELLCON³⁴. No further information on future expenditure on occupational safety and health was disclosed.

Partially Material each ÖBB subsidiary's business model and sustainability profile from an ESG perspective:

- The KPI is material to the Company's direct operations since reaching the target will have a positive impact on the Company's own employees. However, accidents are not distributed evenly across the holding structure of ÖBB: they are more frequent, and more importantly more severe accidents in the companies focused on the technical aspect, like ÖBB Technische Services-GmbH. Some employees are therefore more likely to be exposed to workplace safety issues than in other companies within ÖBB's holding structure. Moreover, accidents are also not distributed evenly across the logistics and rail line industry supply chain: they are more frequent, and more importantly more severe in companies deeper down the supply chain³⁵³⁶. Certain ÖBB subsidiaries operate near the top of the supply chain. Its employees are therefore less likely to be materially exposed to workplace safety issues than companies in ÖBB's own supply chain. Lastly, not all employees are covered by this KPI, only around 96% of the workforce is being covered, whilst (sub)contractors will not be covered by the KPI. Therefore, this KPI is assessed as partially material because it does not address the safety of ÖBB's suppliers', it does not cover all the employees of the subsidiary's workforce and it does not cover the (sub)contractors of ÖBB.

Calibration of SPT 3.1 - ÖBB-Personenverkehr AG

SPT 3.1 – defined as 'Reduction of occupational safety index per 1000 employees to 17.7 by 2030 for ÖBB-Personenverkehr AG employees'

³³ Key ESG Standards include SASB and TCFD, among others.

³⁴ [ÖBB, 2021, Sustainability Report 2021](#)

³⁵ Sohal and Chen, 2012, Managing workplace safety risks: a supply chain perspective

³⁶ [International Labor Organization, 2021, The future of work in the automotive industry: The need to invest in people's capabilities and decent and sustainable work](#)

Opinion	<i>The SPT is (i) not ambitious against the Company's past performance, (ii) ambitious against industry peers, and (iii) in the absence of international targets on occupational safety indices, it can be concluded that it is currently not possible to benchmark the SPT against an international benchmark. The target is set in a clear timeline and is supported by a strategy and action plan disclosed in the Company's framework.</i>
----------------	--

Level of Ambition	No Evidence	Limited	Good	Robust
--------------------------	-------------	----------------	------	--------

SPT 3.1 Characteristics and Features	SPT definition:	Achieve an occupational safety index 17.7 rate by 2030 (OSHA Incident Rate) involving ÖBB-Personenverkehr AG employees
	Baseline performance and year:	22.6 accidents that led to at least 3 days out of work annually on average from 2014 to 2018
	Target performance and observation date:	The Company aims to achieve an annual occupational safety index of: <ul style="list-style-type: none"> 17.7 in 2030 <p>The annual interim SPTs will be specified in the relevant legal documentations. It is expected that individual Issuing subsidiaries will discuss and potentially re-calibrate them with the lender group. At the time of writing, the envisioned interim SPTs represent an increase from the current performance to the 2030 target.</p>
	Trigger event:	The trigger events are to be specified in the legal documentation. The Company relies on yearly based targets tested annually on the 31 st of December.
	Long-term target:	N/A
	Strategy and action plan to reach the target:	To reduce its occupational safety index ÖBB-Personenverkehr AG will develop measures along six fields of action. <ul style="list-style-type: none"> Strengthen security awareness Implement de-escalation training in particular training on challenging situations with clients Promote attention Encourage compliance Prevent and recognize near accidents Identify and eliminate causes of accidents Identify and fix trends
	Key factors/risks beyond the Issuing subsidiary's direct control that may affect the achievement of the SPTs:	<ul style="list-style-type: none"> Massive price increases. Changes in norms/standards for measuring transport performance. Increased number of occupational accidents due to unimplemented improvement measures
	Recalculations or pro-forma adjustments of baselines	The legal documentation will include a recalculation policy.

SPT 3.1	The level of ambition of the SPT is assessed as follows:
----------------	--

Analysis

(i) Against past performance:

The Issuing subsidiary provided 3 years of relevant historical data, including a baseline average value of the years 2014-2018. The data are shown in Table 12. Calculating the compound annual growth rate (CAGR) of the past performance shows that ÖBB-Personenverkehr AG has achieved an average yearly change of -2.29% between 2018 and 2022 for KPI 3.1.

TABLE 12.	2014 – 2018 – BASELINE	2019	2020	2021	2022	2030 – SPT 3.1
KPI metric	22.6	16.8	21.8	24.1	20.6	17.7
CAGR Baseline year – 2022					-2.29%	
CAGR 2022 – 2030						-1.88%

Source: ÖBB Sustainable Finance Framework

ÖBB-Personenverkehr AG sets SPT 3.1 to achieve a reduction of occupational safety index by 4.9 annual incidents per 1000 employees in 2030 compared to a 2018 baseline. Calculating the compound annual growth rate (CAGR) amounts to an average of -1.88% annual reduction between 2022 and 2030.

Since the projected average annual reduction to achieve SPT 3.1 is quantitatively smaller than the historical data, we conclude that the SPT is quantitatively not ambitious against past performance.

(ii) Against peers:

In order to benchmark the SPT of this individual Issuing subsidiary, we conducted a benchmarking of ÖBB Group against a peer group of 14 National Railway Companies (including the Issuer) in Western Europe and Scandinavia.

In fact, many of these companies are also diversified (in terms of activity, and often with a host of specialized subsidiaries like ÖBB Group) but target setting most often takes place at group level. Because ÖBB confirms that the targets of each individual Issuing subsidiaries contribute to and are aligned with the achievement of the group target, we use ÖBB Group's target as a proxy for said subsidiaries.

The topic of occupational safety is addressed throughout the peer group. Most peers have formal safety frameworks in place, some with targeted measures or even 'zero-accident policies' in place.

However, aside from ÖBB Group, only one other peer also sets a quantitative target addressing occupational safety, thus placing it in the top 14% of companies in terms of setting a target. It should be noted though that the targets are not comparable because of a different scope of accidents being considered. This is unfortunately a common occurrence: even though standardized & benchmarkable calculation methodologies exist, there are multiple options available for companies to report occupational safety, each reflecting different levels of accident severity.

Therefore, we conclude that the SPTs set by individual Issuing subsidiaries are collectively ambitious compared to ÖBB Group’s industry peers in terms of setting a target addressing occupational safety.

(iii) Against international targets:

The United Nations Sustainable Development Goal 8 “Decent Work and Economic Growth” defines the following sub-target to achieve Decent Work and Economic Growth: “8.8: Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment”. The associated indicator defined by the UN and relevant for the private sector specifies the focus of this target: “Fatal and non-fatal occupational injuries per 100,000 workers, by sex and migrant status (8.8.1)”. This indicator refers to the occupational injuries per 100,000 workers. By advancing the safety of its employees as defined by the UN’s associated indicator, ÖBB-Personenverkehr AG contributes to achieving SDG 8.³⁷

Given the absence of a quantified international target on occupational safety indices, there is limited information available to assess the level of ambition of this SPT against international targets.

Calibration of SPT 3.2 - Rail Cargo Austria AG

SPT 3.2 - defined as ‘Reduction of occupational safety index per 1000 employees to 14.5 by 2030 for Rail Cargo Austria AG employees’

Opinion	<i>The SPT is (i) not ambitious against the Company’s past performance, (ii) ambitious against industry peers, and (iii) in the absence of international targets on occupational safety indices, it can be concluded that it is currently not possible to benchmark the SPT against an international benchmark. The target is set in a clear timeline and is supported by a strategy and action plan disclosed in the Company’s framework.</i>			
Level of Ambition	No Evidence	Limited	Good	Robust
SPT 3.2	SPT definition:	Achieve an occupational safety index 14.5 rate by 2030 (OSHA Incident Rate) involving Rail Cargo Austria AG employees		
Characteristics and Features	Baseline performance and year:	18.5 accidents that led to at least 3 days out of work annually on average from 2014 to 2018		

³⁷ Sustainable Development Goals, Target 8, <https://sdgs.un.org/goals/goal8>

	<p>Target performance and observation date:</p>	<p>The Company aims to achieve an annual occupational safety index rating of:</p> <ul style="list-style-type: none"> ▪ 14.5 in 2030 <p>The annual interim SPTs will be specified in the relevant legal documentations. It is expected that individual Issuing subsidiaries will discuss and potentially re-calibrate them with the lender group. At the time of writing, the envisioned interim SPTs represent a linear increase from the current performance to the 2030 target.</p>
	<p>Trigger event:</p>	<p>The trigger events are to be specified in the legal documentation. The Company relies on yearly based targets tested annually on the 31st of December.</p>
	<p>Long-term target:</p>	<p>N/A</p>
	<p>Strategy and action plan to reach the target:</p>	<p>To reduce its occupational safety index Rail Cargo Austria AG will develop measures along six fields of action.</p> <ul style="list-style-type: none"> ▪ Strengthen security awareness ▪ Strengthening awareness amongst apprentices ▪ Improvement of safety culture, by education of Health & Safety managers and security personnel. ▪ Promote attention ▪ Encourage compliance ▪ Prevent and recognize near accidents ▪ Identify and eliminate causes of accidents ▪ Identify and fix trends ▪ Development of a process to analyze causes of accident
	<p>Key factors/risks beyond the Issuing subsidiary's direct control that may affect the achievement of the SPTs:</p>	<ul style="list-style-type: none"> ▪ Massive price increases. ▪ Changes in norms/standards for measuring transport performance. ▪ Increased number of occupational accidents due to unimplemented improvement measures
	<p>Recalculations or pro-forma adjustments of baselines</p>	<p>The legal documentation will include a recalculation policy.</p>
<p>SPT 3.2</p> <p>Analysis</p>	<p>The level of ambition of the SPT is assessed as follows:</p>	

(i) Against past performance:

The Issuing subsidiary provided 3 years of relevant historical data, including for the baseline year of 2018. The data are shown in Table 13. Calculating the compound annual growth rate (CAGR) of the past performance shows that Rail Cargo Austria AG has achieved an average yearly change of -43.4% between 2018 and 2022 for KPI 3.2.

TABLE 13.	2014-2018 – BASELINE	2019	2020	2021	2022	2030 – SPT 3.2
KPI metric	18.5	0.6	1.5	3.8	1.9	14.5
CAGR Baseline value – 2022					-43.4%	
CAGR 2022 – 2030						28.9%

Source: ÖBB Sustainable Finance Framework

Rail Cargo Austria AG sets SPT 3.2 to achieve a reduction of occupational safety index by 4 annual incidents per 1000 employees in 2030 compared to a 2018 baseline. Calculating the compound annual growth rate (CAGR) amounts to an average of 28.9% annual increase between 2022 and 2030.

Since the projected average accident per 1000 employees to achieve SPT 3.2 are increasing compared to the historical data, we conclude that the SPT is quantitatively not ambitious against past performance.

(ii) Against peers:

Please refer to the assessment of the SPT against peers in ‘Calibration of SPT 3.1’.

(iii) Against international targets:

Please refer to the assessment of the SPT against international targets in ‘Calibration of SPT 3.1’.

Calibration of SPT 3.3 - Österreichische Postbus AG

SPT 3.3 - defined as ‘Reduction of occupational safety index per 1000 employees to 14.5 by 2030 for Österreichische Postbus AG employees’

Opinion	<i>The SPT is (i) not ambitious against the Company’s past performance, (ii) ambitious against industry peers, and (iii) in the absence of international targets on occupational safety indices, it can be concluded that it is currently not possible to benchmark the SPT against an international benchmark. The target is set in a clear timeline and is supported by a strategy and action plan disclosed in the Company’s framework.</i>			
Level of Ambition	No Evidence	Limited	Good	Robust
SPT 3.3	SPT definition:	Achieve an occupational safety index 14.5 rate by 2030 (OSHA Incident Rate) involving Österreichische Postbus AG employees		
Characteristics and Features	Baseline performance and year:	18.5 accidents that led to at least 3 days out of work annually on average from 2014 to 2018		
	Target performance and observation date:	The Company aims to achieve an annual occupational safety index of:		

	<ul style="list-style-type: none"> 14.5 in 2030 <p>The annual interim SPTs will be specified in the relevant legal documentations. It is expected that individual Issuing subsidiaries will discuss and potentially re-calibrate them with the lender group. At the time of writing, the envisioned interim SPTs represent a linear increase from the current performance to the 2030 target.</p>
Trigger event:	The trigger events are to be specified in the legal documentation. The Company relies on yearly based targets tested annually on the 31 st of December.
Long-term target:	N/A
Strategy and action plan to reach the target:	<p>To reduce its occupational safety index Österreichische Postbus AG will develop measures along six fields of action.</p> <ul style="list-style-type: none"> Strengthen security awareness Safety education training during apprenticeships for workers in the factory Coaching for management positions. 22 managers received feedback on the safety culture Promote attention Introduction of stickers on mirrors with the statement "Safety Role Model" Encourage compliance Prevent and recognize near accidents Identify and eliminate causes of accidents Identify and fix trends
Key factors/risks beyond the Issuing subsidiary's direct control that may affect the achievement of the SPTs:	<ul style="list-style-type: none"> Massive price increases. Changes in norms/standards for measuring transport performance. Increased number of occupational accidents due to unimplemented improvement measures
Recalculations or pro-forma adjustments of baselines	The legal documentation will include a recalculation policy.
SPT 3.3	
Analysis	The level of ambition of the SPT is assessed as follows:

(i) Against past performance:

The Issuing subsidiary provided 3 years of relevant historical data, including for the baseline year of 2018. The data are shown in Table 14. Calculating the compound annual growth rate (CAGR) of the past performance shows that Österreichische Postbus AG has achieved an average yearly change of -11.2% between 2018 and 2021 for KPI 3.3.

TABLE 14.	2014 –2018 – BASELINE	2019	2020	2021	2022	2030 – SPT 3.3
KPI metric	18.5	15	13.8	15.4	11.5	14.5
CAGR Baseline value – 2022					-11.2%	
CAGR 2022 – 2030						2.94%

Source: ÖBB Sustainable Finance Framework

Österreichische Postbus AG sets SPT 3.3 to achieve a reduction of occupational safety index by 4 annual incidents per 1000 employees in 2030 compared to a 2018 baseline. Calculating the compound annual growth rate (CAGR) amounts to an average of 2.94% annual increase between 2022 and 2030.

Since the projected average accident per 1000 employees to achieve SPT 3.3 are increasing compared to the historical data, we conclude that the SPT is quantitatively not ambitious against past performance.

(ii) Against peers:

Please refer to the assessment of the SPT against peers in ‘Calibration of SPT 3.1’.

(iii) Against international targets:

Please refer to the assessment of the SPT against international targets in ‘Calibration of SPT 3.1’.

Calibration of SPT 3.4 - ÖBB Technische Services-GmbH

SPT 3.4 - defined as ‘Reduction of occupational safety index per 1000 employees to 22.5 by 2030 for ÖBB Technische Services-GmbH employees’

Opinion	<i>The SPT is (i) not ambitious against the Company’s past performance, (ii) ambitious against industry peers, and (iii) in the absence of international targets on occupational safety indices, it can be concluded that it is currently not possible to benchmark the SPT against an international benchmark. The target is set in a clear timeline and is supported by a strategy and action plan disclosed in the Company’s framework.</i>
----------------	--

Level of Ambition	No Evidence	Limited	Good	Robust
--------------------------	-------------	----------------	------	--------

SPT 3.4 Characteristics and Features	SPT definition:	Achieve an occupational safety index 22.5 rate by 2030 (OSHA Incident Rate) involving ÖBB Technische Services-GmbH employees
	Baseline performance and year:	28.6 accidents that led to at least 3 days out of work annually on average from 2014 to 2018
	Target performance and observation date:	<p>The Company aims to achieve an annual occupational safety index of:</p> <ul style="list-style-type: none"> 22.5 in 2030 <p>The annual interim SPTs will be specified in the relevant legal documentations. It is expected that individual</p>

		Issuing subsidiaries will discuss and potentially re-calibrate them with the lender group. At the time of writing, the envisioned interim SPTs represent a linear increase from the current performance to the 2030 target.
	Trigger event:	The trigger events are to be specified in the legal documentation. The Company relies on yearly based targets tested annually on the 31 st of December.
	Long-term target:	N/A
	Strategy and action plan to reach the target:	To reduce its occupational safety index involving ÖBB Technische Services-GmbH will develop measures along six fields of action. <ul style="list-style-type: none"> ▪ Strengthen security awareness ▪ During “safety hour” there was more discussion on various occupational safety themes. ▪ Promote attention ▪ Encourage compliance ▪ Prevent and recognize near accidents ▪ Improvement of the rate of reported near accidents. The ways of reporting near accidents were implemented. ▪ Identify and eliminate causes of accidents Implementation of quarterly key figures for the work accident analysis. ▪ Identify and fix trends
	Key factors/risks beyond the Issuing subsidiary’s direct control that may affect the achievement of the SPTs:	<ul style="list-style-type: none"> ▪ Massive price increases. ▪ Changes in norms/standards for measuring transport performance. ▪ Increased number of occupational accidents due to unimplemented improvement measures
	Recalculations or pro-forma adjustments of baselines	The legal documentation will include a recalculation policy.
SPT 3.4		
Analysis	The level of ambition of the SPT is assessed as follows:	

(i) Against past performance:

The Issuing subsidiary provided 3 years of relevant historical data, including for the baseline year of 2018. The data are shown in Table 15. Calculating the compound annual growth rate (CAGR) of the past performance shows that ÖBB Technische Services-GmbH has achieved an average yearly change of -2.17% between 2018 and 2021 for KPI 3.4.

TABLE 15.	2014-2018 – BASELINE	2019	2020	2021	2022	2030 – SPT 3.4
KPI metric	28.6	29	23.6	28.1	26.2	22.5

CAGR Baseline value – 2022						-2.17%	
CAGR 2022 – 2030							-1.88%

Source: ÖBB Sustainable Finance Framework

ÖBB Technische Services-GmbH sets SPT 3.4 to achieve a reduction of occupational safety index by 6.1 annual incidents per 1000 employees in 2030 compared to a 2018 baseline. Calculating the compound annual growth rate (CAGR) amounts to an average of -1.88% annual reduction between 2022 and 2030.

Since the projected average annual reductions to achieve SPT 3.4 is quantitatively smaller than the historical data, we conclude that the SPT is quantitatively not ambitious against past performance.

(ii) Against peers:

Please refer to the assessment of the SPT against peers in ‘Calibration of SPT 3.1’.

(iii) Against international targets:

Please refer to the assessment of the SPT against international targets in ‘Calibration of SPT 3.1’.

Calibration of SPT 3.5 - ÖBB-Produktion GmbH

SPT 3.5 – defined as ‘Reduction of occupational safety index per 1000 employees to 27.2 by 2030 for ÖBB-Produktion GmbH employees’

Opinion	<i>The SPT is (i) not ambitious against the Company’s past performance, (ii) ambitious against industry peers, and (iii) in the absence of international targets on occupational safety indices, it can be concluded that it is currently not possible to benchmark the SPT against an international benchmark. The target is set in a clear timeline and is supported by a strategy and action plan disclosed in the Company’s framework.</i>
----------------	--

Level of Ambition	No Evidence	Limited	Good	Robust
--------------------------	-------------	----------------	------	--------

SPT 3.5 Characteristics and Features	SPT definition:	Achieve an occupational safety index 27.2 rate by 2030 (OSHA Incident Rate) involving ÖBB-Produktion GmbH employees
	Baseline performance and year:	34.7 accidents that led to at least 3 days out of work annually on average from 2014 to 2018
	Target performance and observation date:	<p>The Company aims to achieve an annual occupational safety index of:</p> <ul style="list-style-type: none"> 27.2 in 2030 <p>The annual interim SPTs will be specified in the relevant legal documentations. It is expected that individual Issuing subsidiaries will discuss and potentially re-calibrate them with the lender group. At the time of writing, the envisioned interim SPTs represent a linear</p>

		increase from the current performance to the 2030 target.
	Trigger event:	The trigger events are to be specified in the legal documentation. The Company relies on yearly based targets tested annually on the 31 st of December.
	Long-term target:	N/A
	Strategy and action plan to reach the target:	To reduce its occupational safety index ÖBB-Produktion GmbH will develop measures along six fields of action. <ul style="list-style-type: none"> ▪ Strengthen security awareness ▪ Promote attention ▪ Encourage compliance ▪ Prevent and recognize near accidents ▪ Identify and eliminate causes of accidents ▪ Identify and fix trends
	Key factors/risks beyond the Issuing subsidiary's direct control that may affect the achievement of the SPTs:	<ul style="list-style-type: none"> ▪ Massive price increases. ▪ Changes in norms/standards for measuring transport performance. ▪ Increased number of occupational accidents due to unimplemented improvement measures
	Recalculations or pro-forma adjustments of baselines	The legal documentation will include a recalculation policy.
SPT 3.5		
Analysis	The level of ambition of the SPT is assessed as follows:	

(i) Against past performance:

The Issuing subsidiary provided 3 years of relevant historical data, including for the baseline year of 2018. The data are shown in Table 16. Calculating the compound annual growth rate (CAGR) of the past performance shows that ÖBB-Produktion GmbH has achieved an average yearly change of -5.91% between 2018 and 2022 for KPI 3.5.

TABLE 16.	2014-2018 – BASELINE	2019	2020	2021	2022	2030 – SPT 3.5
KPI metric	34.7	30.2	28.8	23.2	27.2	27.2
CAGR Baseline value – 2022					-5.91%	
CAGR 2022 – 2030						0%

Source: ÖBB Sustainable Finance Framework

ÖBB-Produktion GmbH sets SPT 3.5 to achieve a reduction of occupational safety index by 7.5 incidents per 1000 employees in 2030 compared to a 2018 baseline. Because the 2030 target of 27.2 was already achieved in 2022, the annual growth rate required to reach it will effectively be of 0%.

Since the projected average accident per 1000 employees to achieve SPT 3.5 have already been achieved, we conclude that the SPT is quantitatively not ambitious against past performance.

(ii) Against peers:

Please refer to the assessment of the SPT against peers in ‘Calibration of SPT 3.1’.

(iii) Against international targets:

Please refer to the assessment of the SPT against international targets in ‘Calibration of SPT 3.1’.

Calibration of SPT 3.6 – Rail Equipment GmbH & Co KG

SPT 3.6 – defined as ‘Reduction of occupational safety index per 1000 employees to 14.5 by 2030 for Rail Equipment GmbH & Co KG employees’

Opinion	<i>The SPT is (i) not ambitious against the Company’s past performance, (ii) ambitious against industry peers, and (iii) in the absence of international targets on occupational safety indices, it can be concluded that it is currently not possible to benchmark the SPT against an international benchmark. The target is set in a clear timeline and is supported by a strategy and action plan disclosed in the Company’s framework.</i>
----------------	--

Level of Ambition	No Evidence	Limited	Good	Robust
--------------------------	-------------	----------------	------	--------

SPT 3.6 Characteristics and Features	SPT definition:	Achieve an occupational safety index 14.5 rate by 2030 (OSHA Incident Rate) involving Rail Equipment GmbH & Co KG employees
	Baseline performance and year:	18.5 accidents that led to at least 3 days out of work annually on average from 2014 to 2018
	Target performance and observation date:	The Company aims to achieve an annual occupational safety index rating of: <ul style="list-style-type: none"> 14.5 in 2030 <p>The annual interim SPTs will be specified in the relevant legal documentations. It is expected that individual Issuing subsidiaries will discuss and potentially re-calibrate them with the lender group. At the time of writing, the envisioned interim SPTs represent a linear increase from the current performance to the 2030 target.</p>
	Trigger event:	The trigger events are to be specified in the legal documentation. The Company relies on yearly based targets tested annually on the 31 st of December.
	Long-term target:	N/A
	Strategy and action plan to reach the target:	To reduce its occupational accident Rail Equipment GmbH & Co KG will develop measures along six fields of action. <ul style="list-style-type: none"> Strengthen security awareness Promote attention Encourage compliance

		<ul style="list-style-type: none"> ▪ Prevent and recognize near accidents ▪ Identify and eliminate causation ▪ Identify and fix trends
	Key factors/risks beyond the Issuing subsidiary's direct control that may affect the achievement of the SPTs:	<ul style="list-style-type: none"> ▪ Massive price increases. ▪ Changes in norms/standards for measuring transport performance. ▪ Increased number of occupational accidents due to unimplemented improvement measures
	Recalculations or pro-forma adjustments of baselines	The legal documentation will include a recalculation policy.
SPT 3.6		
Analysis	The level of ambition of the SPT is assessed as follows:	

(i) Against past performance:

The Issuing subsidiary provided 3 years of relevant historical data, including for the baseline year of 2018. The data are shown in Table 17.

TABLE 17.	2014-2018 – BASELINE	2019	2020	2021	2022	2030 – SPT 3.6
KPI metric	18.5	0	0	0	0	14.5
Absolute Change Baseline value – 2022					-18.5	
Absolute Change 2022 – 2030						14.5

Source: ÖBB Sustainable Finance Framework

Rail Equipment GmbH & Co KG sets SPT 3.6 to achieve a reduction of occupational safety index by 14.5 incidents per 1000 employees in 2030 compared to a 2018 baseline. Calculating the absolute increase in accident rates per 1000 employees amounts to a 14.5 increase between 2022 and 2030.

Since the projected average accident per 1000 employees to achieve SPT 3.6 are increasing compared to the historical data, we conclude that the SPT is quantitatively not ambitious against past performance.

It is noted that, the Issuing subsidiary has historically low accident rates, as it is an office focused Company. The rationale behind the high targets is based upon the groups targets, which are used as a proxy for all subsidiaries that have lower accident rates per 1000 employees.

(ii) Against peers:

Please refer to the assessment of the SPT against peers in 'Calibration of SPT 3.1'.

(iii) Against international targets:

Please refer to the assessment of the SPT against international targets in ‘Calibration of SPT 3.1’.

Selection of KPI 4

KPI 4 is defined as ‘Annual score delivered by imug’s sustainability ESG-rating service’

Opinion	<i>The KPI is relevant, core and moderately material to each ÖBB subsidiary’s overall business. It is appropriately measurable, quantifiable, externally verifiable, externally verified and benchmarkable with limitations.</i>		
Assessment	Not aligned	Aligned	Best Practice
KPI 4 Characteristics and Features	KPI definition:	<p>Total score of the imug sustainability rating,³⁸ for each individual subsidiary.</p> <p>ÖBB subsidiaries have an annual sustainability rating prepared by the independent rating agency ‘imug rating’³⁹. The proprietary⁴⁰ sustainability rating methodology of imug follows a standard ESG rating structure based of three central ideas for sustainable management discussed in the context of sustainable finance, whereby companies should:</p> <ul style="list-style-type: none"> ▪ Operate responsibly; ▪ Achieve positive sustainability effects; ▪ Prevent risky or controversial behavior. <p>Accordingly, imug rating methodology includes the following areas of investigation:</p> <ul style="list-style-type: none"> ▪ ESG management (weighting 50%): Analysis of the implementation of key elements of sustainable corporate governance, as well as social & environment aspects ▪ Products and services (weighting 30%): Analysis of the range of products/services – products with a positive or negative sustainability impact, ▪ Controversies (weighting 20%): Analysis of controversial business conduct – i.e., the 	

³⁸ ISS is providing an assessment on the Relevant, Core, and Material dimensions of the ESG ratings KPI for ÖBB & its subsidiaries and does not provide any qualitative comment on imug’s methodology.

³⁹ Imug rating, 2023, Sustainability Rating, <https://www.imug-rating.de/en/sustainability-rating/>

⁴⁰ While confidential and therefore non-disclosable to the general public, ÖBB was able to share a detailed version of imug’s rating methodology with ISS, which was reviewed in the context of this SPO

	<p>Company's involvement in controversies and the Company's response to such incidents.</p> <p>A Company can achieve a maximum of 100 points in each area of investigation. The results of the individual areas of investigation are combined to form an overall assessment of a Company's sustainability performance. The assessment is carried out on the basis of information that is publicly available and provided by the Company, media reports, external reports, and studies.⁴¹</p>
Scope and perimeter:	<p>The KPI covers the entirety of each subsidiary (whose share of ÖBB Group's turnover is shown in parentheses):⁴²</p> <ul style="list-style-type: none"> ▪ ÖBB-Personenverkehr AG (41.4%) ▪ Rail Cargo Austria AG (23.6%) ▪ Österreichische Postbus AG (9.4%) ▪ ÖBB-Technische Services-GmbH (13.1%) ▪ ÖBB-Produktion GmbH (21.9%)
Quantifiable/Externally verifiable:	<p>The KPI is quantifiable, since it is calculated using imug's methodology, which is intended to be applicable to any Company so as to compare their ESG performance. It is externally verifiable, because the end result of the rating is on externally verifiable data points defined in imug's methodology. However, this is limited by the confidential nature of imug's methodology. In fact, most ESG rating services and their associated methodologies are proprietary. As such, external verification can only be provided by the organization selling and performing the rating.</p>
Externally verified:	<p>The historical and baseline data for the KPI selected have been produced and therefore verified by imug. The nature of the KPI – i.e., tracking imug ratings – implies that this will also be the case in the future. However, due to the impossibility for any other third party than imug to review the rating methodology verification, the external verification for this KPI is limited.</p>
Benchmarkable:	<p>By relying on a replicable rating methodology, the scores obtained by ÖBB and its subsidiaries can theoretically be benchmarked to any other Company. However, this is limited by imug's proprietary methodology (as is the case for most ESG rating providers) and the fact that reliance on its rating services is voluntary. Furthermore, this KPI is derived from a solicited sustainability rating, which was</p>

⁴¹ As part of its contract with ÖBB, imug has agreed to freeze its methodology with regards to ÖBB, thus ensuring that score remain fully comparable. Furthermore, documentation of the relevant financing will outline the process of finding a comparable rating provider to replace imug if it was to cease its ESG rating service

⁴² Please note that some subsidiaries are (partially) owned by other subsidiaries subject to this FW (e.g., ÖBB-Personenverkehr AG, owns Österreichische Postbus AG and ÖBB Technische Services-GmbH).

	<p>launched by imug as a separate product at the end of 2019. Due to the design of said product, it is not comparable with an investor paid product where the whole industry groups are rated within a specific timeframe. As such, the pool of companies that ÖBB is benchmarkable with is limited to approximately 50 companies, few of which belong to a similar industry, therefore further limiting comparability.</p>
<p>KPI 4</p> <p>Analysis</p>	<p>The KPI is considered:</p>

Relevant to each ÖBB subsidiary’s business as imug’s sustainability rating methodology considers different indicators that address industry relevant key issues, such as Climate protection, Pollution prevention, Labor standards and working conditions, or Safety and stakeholder responsibility, all of which are key issues for the Rail & Road Transportation industry according to key ESG standards⁴³ for reporting and ISS ESG assessment.

Core to each ÖBB subsidiary and their respective business as the overall improvement of ESG performance affects key processes and operations that are core to their business models. In fact, performance on numerous indicators relating to the environment, social affairs and corporate governance affect the rating. As such, the companies’ goals can be achieved by improving their general sustainability performance, meaning they need to analyze their respective ESG rating at regular intervals in order to identify existing gaps in sustainability reporting and/or management. As a result, in collaboration with imug, ÖBB’s subsidiaries have all identified targeted measures will be taken to close them as best as possible. Such potential measures have been highlighted in the action plan of the below SPT sections, which are dedicated to each individual subsidiary. Overall, the potential measures leverage competencies that are central to each subsidiary’s business, such as the compliance structures, human resource & recruitment policies, and environmental management systems.

Moderately material to each ÖBB subsidiary’s business model and sustainability profile from an ESG perspective.

- The KPI at the individual subsidiary level will depend on 100% of the latter’s activity. Meanwhile imug’s ESG ratings aim to assess companies through a holistic lens, with a variety of key ESG topics covered by the methodology in three key topical areas: ESG management, Products and services, and Controversies.
- It should be noted that imug’s assessment methodology for individual indicators is proprietary. Therefore, it was not accessible in the context of this SPO, which could not evaluate it in greater detail. Nonetheless, it should be noted that this is standard for most ESG rating methodologies and their associated products.
- Furthermore, all scores targeted by each individual subsidiary fall into the “very good” (above 80/100) and “excellent” (above 90/100) categories, and individual subsidiaries’ current performances range between 81 and 87. Meanwhile, the average score obtained by companies rated by imug’s service is of 69/100, with the other companies in the universe

⁴³ Key ESG Standards include SASB and TCFD, among others.

obtaining scores from 50 to 74. As such, by targeting the levels outlined in the SPT section, but also by virtue of maintain the ESG performance required to reach its current scores, ÖBB’s subsidiaries can have a positive & diversified ESG impact.

- Nonetheless, without a more specific view on the exact nature of imug’s methodology and outcome of the outlined measures (which are expected to yield higher scores), our ability to assess the additionality in improving imug’s rating is limited. As such, the KPI is assessed as moderately material.

Calibration of SPT 4.1 - ÖBB-Personenverkehr AG

SPT 4.1 defined as ‘Achieve an imug rating of 88 by 2030 for ÖBB-Personenverkehr AG

Opinion	<i>The SPT is (i) qualitatively ambitious against past performance based on limited evidence, (ii) ambitious against peers limited by benchmarkability, and (iii) there is limited information to assess the level of ambition against international targets. The target is set in a clear timeline and is supported by a strategy and action plan disclosed in the Company’s framework.</i>
----------------	--

Level of Ambition	No Evidence	Limited	Good	Robust
--------------------------	-------------	---------	-------------	--------

SPT 4.1 Characteristics and Features	SPT definition:	Achieve an imug rating of 88 by 2030 for ÖBB-Personenverkehr AG.
	Baseline performances and years:	Since ÖBB has started relying on imug for ESG scores in 2021, ÖBB-Personenverkehr AG has obtained scores of: <ul style="list-style-type: none"> ▪ 78 in 2021 ▪ 82 in 2022
	Target performance and observation date:	> The Company aims to achieve an annual imug rating of: <ul style="list-style-type: none"> ▪ 88 in 2030 <p>The annual interim SPTs will be specified in the relevant legal documentations. It is expected that individual Issuing subsidiaries will discuss and potentially re-calibrate them with the lender group. At the time of writing, the envisioned interim SPTs represent a linear increase from the current performance to the 2030 target.</p>
	Trigger event:	The trigger events are to be specified in the legal documentation. The Company relies on yearly based targets tested annually on the 31 st of December.
	Long-term target:	N/A
	Strategy and action plan to reach the target:	<ul style="list-style-type: none"> ▪ Strengthen the Company’s code of conduct & respective compliance structures and receiving external certification of compliance management system ▪ Certification of health & safety management system and setting H&S targets

		<ul style="list-style-type: none"> ▪ Strengthen measures to support older employees and increase share of staff with disabilities ▪ Improve GHG & waste performance, implementing climate SBTs, ▪ Conduct water and climate risk analysis, design and apply relevant measures ▪ Invest in green projects, as detailed in the Use of Proceeds section of this document.
	Key factors/risks beyond the Issuing subsidiary's direct control that may affect the achievement of the SPTs:	<ul style="list-style-type: none"> ▪ Impacts of the energy crisis (e.g., not enough renewable energies available, massive price increases) ▪ Changes in underlying emission factors and/or changes in norms/standards for measuring transport performance. ▪ Increased risk of accidents (occupational safety), Increased number of occupational accidents due to unimplemented improvement measures
	Recalculations or pro-forma adjustments of baselines	The legal documentation will include a recalculation policy.

SPT 4.1

Analysis

The level of ambition of the SPT is assessed as follows:

(i) Against past performance:

ÖBB-Personenverkehr AG has 3 years of relevant historical data, presented in table 18. Data from previous years is unavailable since imug's rating process was implemented for the first time in 2021. The scores in these three years implies an average yearly increase of 3.

TABLE 18.	2021	2022	2023	2030 – SPT
imug score	78	82	84	88
Yearly increase		4	2	
Average increase 2023 - 2030				0.57

By targeting a score of 88, the Company will need to increase its imug score by an average of 0.57 annually, which is quantitatively less significant. However, ÖBB-Personenverkehr AG argues that the improvement in the last year came at the hands of more easily achievable areas of improvement in imug's methodology, especially since it was the first year being subjected to this rating. This notably included the integration general human and labor rights in its code of conduct for suppliers, and the development of an independent CSR strategy. The Company also saw improvements in the area of GHG emissions. Going forward however, the Company expects the measures outlined in the strategy and action plan (detailed above) to require significantly more effort than the improvements it achieved

in the previous year. It should also be noted that, as is often the case for ESG rating methodologies, the rating system operated on a scale (and in this case is capped at 100). This implies that measures and criteria required to achieve the highest levels eventually become limited, but also represent the ones that require the most effort, not just to achieve but also to maintain.

As such, the SPT can be viewed as qualitatively ambitious against past performance, limited by the lack of access to the granular assessment method used by imug.

(ii) Against peers:

Because of the bespoke nature of this KPI, there was no possibility for an industry or even sectorial benchmark like that conducted for the previous KPIs. That being said, ÖBB was able to provide information concerning the scores obtained by other companies rated under imug’s solicited-rating methodology.

Overall, ÖBB-Personenverkehr AG belongs to the top 5 highest rated companies as of 2022 (i.e., top 10%) with the remaining 4 being ÖBB’s other Issuing subsidiaries assessed in this SPO. In fact, with a score of 82/100, ÖBB-Personenverkehr clearly outperforms companies in the imug solicited-rating universe since the average rating obtained is of 69/100 and the highest rating obtained by a non-ÖBB Company is of 74/100. As such, by targeting a performance level of 88, ÖBB-Personenverkehr AG can ensure that its overall ESG performance remains comparatively high.

The SPT can be viewed as ambitious against peers, limited by the lack of closer industry peers to benchmark with.

Furthermore, as mentioned above all ÖBB subsidiaries assessed in this SPO belong to the top 10%, and their targeted performances in 2030 also range between 85 and 91. Therefore, the above assessment is applicable to all the below SPTs.

(iii) Against international targets:

Given the plurality of ESG rating methodology, and an absence of quantified international targets related to the former, there is limited information available to assess the level of ambition of this SPT against international targets.

Calibration of SPT 4.2 - Rail Cargo Austria AG

SPT 4.2 defined as ‘Achieve an imug rating of 85 by 2030 for Rail Cargo Austria AG’

Opinion	<i>The SPT is (i) qualitatively ambitious against past performance with limitations, (ii) ambitious against peers limited by benchmarkability, and (iii) there is limited information to assess the level of ambition international targets. The target is set in a clear timeline and is supported by a strategy and action plan disclosed in the Company’s framework.</i>			
Level of Ambition	No Evidence	Limited	Good	Robust
SPT definition:	Achieve an imug rating of 85 by 2030 for Rail Cargo Austria AG			

<p>SPT 4.2</p> <p>Characteristics and Features</p>	<p>Baseline performances and years:</p>	<p>Since ÖBB has started relying on imug for ESG scores in 2021, Rail Cargo Austria AG has obtained scores of:</p> <ul style="list-style-type: none"> ▪ 77 in 2021 ▪ 79 in 2022
	<p>Target performance and observation date:</p>	<p>> The Company aims to achieve an annual imug rating of:</p> <ul style="list-style-type: none"> ▪ 85 in 2030 <p>The annual interim SPTs will be specified in the relevant legal documentations. It is expected that individual Issuing subsidiaries will discuss and potentially recalibrate them with the lender group. At the time of writing, the envisioned interim SPTs represent a linear increase from the current performance to the 2030 target.</p>
	<p>Trigger event:</p>	<p>The trigger events are to be specified in the legal documentation. The Company relies on yearly based targets tested annually on the 31st of December.</p>
	<p>Long-term target:</p>	<p>N/A</p>
	<p>Strategy and action plan to reach the target:</p>	<ul style="list-style-type: none"> ▪ Strengthen the Company's code of conduct & respective compliance structures. ▪ Establish separate responsibility for the topic of labor rights and running external audits ▪ Strengthen diversity measures, increasing share of female managers, and reporting on pay gap ▪ Improve GHG & waste performance, and implementing climate SBTs, and increasing scope of GHG reporting ▪ Increase share of activities covered by a certified environmental management system (ISO 14001) ▪ Invest in green projects, as detailed in the Use of Proceeds section of this document
	<p>Key factors/risks beyond the Issuing subsidiary's direct control that may affect the achievement of the SPTs:</p>	<ul style="list-style-type: none"> ▪ Impacts of the energy crisis (e.g., not enough renewable energies available, massive price increases) ▪ Changes in underlying emission factors and/or changes in norms/standards for measuring transport performance. ▪ Increased risk of accidents (occupational safety), Increased number of occupational accidents due to unimplemented improvement measures
<p>Recalculations or pro-forma adjustments of baselines</p>	<p>The legal documentation will include a recalculation policy.</p>	

SPT 4.2

Analysis

The level of ambition of the SPT is assessed as follows:

(i) Against past performance:

Rail Cargo Austria AG has 3 years of relevant historical data, presented in table 19. Data from previous years is unavailable since imug’s rating process was implemented for the first time in 2021. The scores in these two years implies an average yearly increase of 2.

TABLE 19.	2021	2022	2023	2030 – SPT
imug score	77	79	81	85
Yearly increase		2	2	0
Average increase 2023 - 2030				0.57

By targeting a score of 85 in 2030, the Company will need to increase its imug score by an average of 0.57 annually, which is quantitatively less significant. However, Rail Cargo Austria AG explains that the improvement in the last year came at the hands of more easily achievable areas of improvement in imug’s methodology, especially since it was the first year being subjected to this rating. This notably included the integration general human and labor rights in its code of conduct for suppliers, along with training on the topic for its own employees. The Company also saw improvements in the area of water consumption & waste. Going forward however, the Company expects the measures outlined in the strategy and action plan (detailed above) to require significantly more effort than the improvements it achieved in the previous year. It should also be noted that, as is often the case for ESG rating methodologies, the rating system operated on a scale (and in this case is capped at 100). This implies that measures and criteria required to achieve the highest levels eventually become limited, but also represent the ones that require the most effort, not just to achieve but also to maintain.

As such, the SPT can be viewed as qualitatively ambitious against past performance, limited by the lack of access to the granular assessment method used by imug.

(ii) Against peers:

Please refer to the assessment of the SPT against peers in ‘Calibration of SPT 4.1’.

(iii) Against international targets:

Please refer to the assessment of the SPT against international targets in ‘Calibration of SPT 4.1’.

Calibration of SPT 4.3 - Österreichische Postbus AG

SPT 4.3 defined as ‘Achieve an imug rating of 91 by 2030 for Österreichische Postbus AG

Opinion	<i>The SPT is (i) qualitatively ambitious against past performance with limitations, (ii) ambitious against peers limited by benchmarkability, and (iii) there is limited information to assess the level of ambition international targets. The target is set in a clear timeline and is supported by a strategy and action plan disclosed in the Company's framework.</i>			
Level of Ambition	No Evidence	Limited	Good	Robust
SPT 4.3	SPT definition:	Achieve an imug rating of 91 by 2030 for Österreichische Postbus AG.		
Characteristics and Features	Baseline performances and years:	<p>Since ÖBB has started relying on imug for ESG scores in 2021, Österreichische Postbus AG has obtained scores of:</p> <ul style="list-style-type: none"> ▪ 77 in 2021 ▪ 81 in 2022 		
	Target performance and observation date:	<p>The Company aims to achieve an annual imug rating of:</p> <ul style="list-style-type: none"> ▪ 91 in 2030 <p>The annual interim SPTs will be specified in the relevant legal documentations. It is expected that individual Issuing subsidiaries will discuss and potentially recalibrate them with the lender group. At the time of writing, the envisioned interim SPTs represent a linear increase from the current performance to the 2030 target.</p>		
	Trigger event:	The trigger events are to be specified in the legal documentation. The Company relies on yearly based targets tested annually on the 31 st of December.		
	Long-term target:	N/A		
	Strategy and action plan to reach the target:	<ul style="list-style-type: none"> ▪ Strengthen the Company's code of conduct & respective compliance structures and receive external certification of compliance management system ▪ Certification of health & safety management system and setting H&S targets ▪ Increase share of collective bargaining agreements ▪ Increase share of female managers and staff with disabilities ▪ Obtain certified environmental management system (ISO 14001) ▪ Improving GHG & waste performance, implement climate SBTs, ▪ Implement water-use reduction plan and decrease air emissions ▪ Invest in green projects, as detailed in the Use of Proceeds section of this document 		

	<p>Key factors/risks beyond the Issuing subsidiary's direct control that may affect the achievement of the SPTs:</p>	<ul style="list-style-type: none"> ▪ Impacts of the energy crisis (e.g., not enough renewable energies available, massive price increases) ▪ Changes in underlying emission factors and/or changes in norms/standards for measuring transport performance. ▪ Increased risk of accidents (occupational safety), Increased number of occupational accidents due to unimplemented improvement measures
	<p>Recalculations or pro-forma adjustments of baselines</p>	<p>The legal documentation will include a recalculation policy.</p>
<p>SPT 4.3 Analysis</p>	<p>The level of ambition of the SPT is assessed as follows:</p>	

(i) Against past performance:

Österreichische Postbus AG has 3 years of relevant historical data, presented in table 20. Data from previous years is unavailable since imug's rating process was implemented for the first time in 2021. The scores in these two years implies an average yearly increase of 3.

TABLE 20.	2021	2022	2023	2030 – SPT
imug score	77	81	83	91
Yearly increase		4	2	0
Average increase 2023 - 2030				1.14

By targeting a score of 91, the Company will need to increase its imug score by an average of 1.14 annually, which is quantitatively less significant. However, Österreichische Postbus AG explains that the improvement in the last year came at the hands of more easily achievable areas of improvement in imug's methodology, especially since it was the first year being subjected to this rating. This notably included the integration general human and labor rights in its code of conduct for suppliers and the Company also saw improvements in the areas of GHG emissions, energy & fuel consumption, waste, and water consumption. Going forward however, the Company expects the measures outlined in the strategy and action plan (detailed above) to require significantly more effort than the improvements it achieved in the previous year. It should also be noted that, as is often the case for ESG rating methodologies, the rating system operated on a scale (and in this case is capped at 100). This implies that measures and criteria required to achieve the highest levels eventually become limited, but also represent the ones that require the most effort, not just to achieve but also to maintain.

As such, the SPT can be viewed as qualitatively ambitious against past performance, limited by the lack of access to the granular assessment method used by imug.

(ii) Against peers:

Please refer to the assessment of the SPT against peers in ‘Calibration of SPT 4.1’.

(iii) Against international targets:

Please refer to the assessment of the SPT against international targets in ‘Calibration of SPT 4.1’

Calibration of SPT 4.4 - ÖBB-Technische Services-GmbH

SPT 4.4 defined as ‘Achieve an imug rating of 91 by 2030 for ÖBB-Technische Services-GmbH’

Opinion	<i>The SPT is (i) qualitatively ambitious against past performance with limitations, (ii) ambitious against peers limited by benchmarkability, and (iii) there is limited information to assess the level of ambition international targets. The target is set in a clear timeline and is supported by a strategy and action plan disclosed in the Company’s framework.</i>			
Level of Ambition	No Evidence	Limited	Good	Robust
SPT 4.4	SPT definition:	Achieve an imug rating of 91 by 2030 for ÖBB-Technische Services-GmbH.		
Characteristics and Features	Baseline performances and years:	Since ÖBB has started relying on imug for ESG scores in 2021, ÖBB-Technische Services-GmbH has obtained scores of: <ul style="list-style-type: none"> 82 in 2021 85 in 2022 		
	Target performance and observation date:	The Company aims to achieve an annual imug rating of: <ul style="list-style-type: none"> 91 in 2030 <p>The annual interim SPTs will be specified in the relevant legal documentations. It is expected that individual Issuing subsidiaries will discuss and potentially re-calibrate them with the lender group. At the time of writing, the envisioned interim SPTs represent a linear increase from the current performance to the 2030 target.</p>		
	Trigger event:	The trigger events are to be specified in the legal documentation. The Company relies on yearly based targets tested annually on the 31 st of December.		
	Long-term target:	N/A		
	Strategy and action plan to reach the target:	<ul style="list-style-type: none"> Strengthen the Company’s code of conduct & respective compliance structures, receive external certification of compliance management system, and external compliance audits Certification of health & safety management system and setting H&S targets Increase share of staff with disabilities Implement climate SBTs, 		

		<ul style="list-style-type: none"> Conduct water and climate risk analysis, design and apply relevant measures Invest in green projects, as detailed in the Use of Proceeds section of this document
	Key factors/risks beyond the Issuing subsidiary's direct control that may affect the achievement of the SPTs:	<ul style="list-style-type: none"> Impacts of the energy crisis (e.g., not enough renewable energies available, massive price increases) Changes in underlying emission factors and/or changes in norms/standards for measuring transport performance. Increased risk of accidents (occupational safety), Increased number of occupational accidents due to unimplemented improvement measures
	Recalculations or pro-forma adjustments of baselines	The legal documentation will include a recalculation policy.

SPT 4.4	
Analysis	The level of ambition of the SPT is assessed as follows:

(i) Against past performance:

ÖBB-Technische Services-GmbH has 3 years of relevant historical data, presented in table 21. Data from previous years is unavailable since imug's rating process was implemented for the first time in 2021. The scores in these two years implies an average annual increase of 2.5.

TABLE 21.	2021	2022	2023	2030 – SPT
imug score	82	85	87	91
Yearly increase		3	2	0
Average increase 2023 - 2030				0.57

By targeting a score of 91, the Company will need to increase its imug score by an average of 0.57 annually, which is quantitatively less significant. However, ÖBB-Technische Services-GmbH argues that the improvement in the last year came at the hands of more easily achievable areas of improvement in imug's methodology, especially since it was the first year being subjected to this rating. This notably included the integration general human and labor rights in its code of conduct for suppliers, and the development of an independent CSR strategy. The Company also saw improvements in the areas of GHG & air emissions and energy & water consumption. Going forward however, the Company expects the measures outlined in the strategy and action plan (detailed above) to require significantly more effort than the improvements it achieved in the previous year. It should also be noted that, as is often the case for ESG rating methodologies, the rating system operated on a scale (and in this case is capped at 100). This implies that measures and criteria required to achieve the highest levels eventually become limited, but also represent the ones that require the most effort, not just to achieve but also to maintain.

As such, the SPT can be viewed as qualitatively ambitious against past performance, limited by the lack of access to the granular assessment method used by imug, and due to the lack of 3 years of historical data

(ii) Against peers:

Please refer to the assessment of the SPT against peers in ‘Calibration of SPT 4.1’.

(iii) Against international targets:

Please refer to the assessment of the SPT against international targets in ‘Calibration of SPT 4.1’

Calibration of SPT 4.5 - ÖBB-Produktion GmbH

SPT 4.5 defined as ‘Achieve an imug rating of 91 by 2030 for ÖBB-Produktion GmbH

Opinion	<i>The SPT is (i) qualitatively ambitious against past performance with limitations, (ii) ambitious against peers limited by benchmarkability, and (iii) there is limited information to assess the level of ambition international targets. The target is set in a clear timeline and is supported by a strategy and action plan disclosed in the Company’s framework.</i>
----------------	---

Level of Ambition	No Evidence	Limited	Good	Robust
--------------------------	-------------	---------	-------------	--------

SPT 4.5	SPT definition:	Achieve an imug rating of 91 by 2030 for ÖBB-Produktion GmbH.
	Characteristics and Features	Since ÖBB has started relying on imug for ESG scores in 2021, ÖBB-Produktion GmbH has obtained scores of: <ul style="list-style-type: none"> 80 in 2021 83 in 2022
	Baseline performances and years:	
	Target performance and observation date:	The Company aims to achieve an annual imug rating of: <ul style="list-style-type: none"> 91 in 2030 <p>The annual interim SPTs will be specified in the relevant legal documentations. It is expected that individual Issuing subsidiaries will discuss and potentially re-calibrate them with the lender group. At the time of writing, the envisioned interim SPTs represent a linear increase from the current performance to the 2030 target.</p>
	Trigger event:	The trigger events are to be specified in the legal documentation. The Company relies on yearly based targets tested annually on the 31 st of December.
	Long-term target:	N/A
	Strategy and action plan to reach the target:	<ul style="list-style-type: none"> Strengthen the Company’s code of conduct & respective compliance structures, receive external

		<p>certification of compliance management system and external compliance audits</p> <ul style="list-style-type: none"> ▪ Certification of health & safety management system and setting H&S targets ▪ Increase share of female managers and staff with disabilities ▪ Improving GHG & waste performance, implement climate SBTs ▪ Implement water-use reduction plan and decrease air emissions ▪ Investing in green projects, as detailed in the Use of Proceeds section of this document
	Key factors/risks beyond the Issuing subsidiary's direct control that may affect the achievement of the SPTs:	<ul style="list-style-type: none"> ▪ Impacts of the energy crisis (e.g., not enough renewable energies available, massive price increases) ▪ Changes in underlying emission factors and/or changes in norms/standards for measuring transport performance. ▪ Increased risk of accidents (occupational safety), Increased number of occupational accidents due to unimplemented improvement measures
	Recalculations or pro-forma adjustments of baselines	The legal documentation will include a recalculation policy.
SPT 4.5		
Analysis	The level of ambition of the SPT is assessed as follows:	

(A) Against past performance:

ÖBB-Produktion GmbH has 3 years of relevant historical data, presented in table 22. Data from previous years is unavailable since imug's rating process was implemented for the first time in 2021. The scores in these two years implies an absolute increase of 2.

TABLE 22.	2021	2022	2023	2030 – SPT
imug score	80	83	84	91
Yearly increase		3	1	0
Average increase 2023 – 2030				1

By targeting a score of 91, the Company will need to increase its imug score by an average of 1 annually, which is quantitatively less significant. However, ÖBB-Produktion GmbH argues that the improvement in the last year came at the hands of more easily achievable areas of improvement in imug's methodology, especially since it was the first year being subjected to this rating. The Company

notably saw improvements in the area of energy consumption & waste. Going forward however, the Company expects the measures outlined in the strategy and action plan (detailed above) to require significantly more effort than the improvements it achieved in the previous year. It should also be noted that, as is often the case for ESG rating methodologies, the rating system operated on a scale (and in this case is capped at 100). This implies that measures and criteria required to achieve the highest levels eventually become limited, but also represent the ones that require the most effort, not just to achieve but also to maintain.

As such, the SPT can be viewed as qualitatively ambitious against past performance, limited by the lack of access to the granular assessment method used by imug.

(ii) Against peers:

Please refer to the assessment of the SPT against peers in 'Calibration of SPT 4.1'.

(iii) Against international targets:

Please refer to the assessment of the SPT against international targets in 'Calibration of SPT 4.1'

PART IV: LINKING THE TRANSACTIONS TO ÖBB GROUP'S ESG PROFILE

A. CONSISTENCY OF GREEN FINANCIAL INSTRUMENTS WITH ÖBB'S SUSTAINABILITY STRATEGY

Key sustainability objectives and priorities defined by the Issuer

In 2020, the ÖBB sustainability strategy was revised to reflect their sustainability commitments. As a result, 17 topics were chosen to define and guide its sustainability strategy, divided into ecological, economic and social pillars. They cover a range of sustainability topics from climate protection, innovation and technology, sustainable finance to the training and further education of employees.

Their commitment to sustainability and environmental topics is then executed across eight priorities topics that were defined through a materiality analysis involving internal and external stakeholders:

- Climate protection
- Adaptation to climate change
- Emissions incl. noise (excluding CO₂)
- Resource management, waste, surface area, soil
- Species biodiversity and biodiversity
- Sustainable procurement
- Innovation & Technology
- Sustainable finance

Climate protection was defined as the top priority topic for ÖBB Group in their *Climate Protection Strategy 2030*. This strategy sets two neutrality targets for the Group. One is CO₂ neutrality⁴⁴ of ÖBB's mobility sector by 2030 (e.g. which represents around 7.7% of ÖBB Group Total GHG Emissions) and complete CO₂ neutrality by 2040-2050⁴⁵. This strategy defines six central levers to reach the target:

- Electrification
- Alternative drives for rail
- Alternative drives for roads
- Energy efficiency
- Modal shift

ÖBB is taking a step-by-step approach to decarbonization along the following three lines: Mobility, Buildings, and Scope 3 emissions. The first step of decarbonization is therefore the decarbonization of ÖBB's core business: Mobility. As most of the Scope 1 and 2 GHG emissions of the Mobility activities come from the energy consumption, ÖBB Group decided to focus primarily on electrification of routes, alternative drive systems for rail and bus, accelerating the expansion of renewable energy sources, increasing energy efficiency, and increasing capacity utilization in transport.

⁴⁴ The aim of ÖBB is to achieve the maximum possible of CO₂ emissions reduction and compensate the remaining.

⁴⁵ CO₂-neutral ÖBB mobility sector by 2030 refers to Scope 1 & 2 – excl. buildings). Complete CO₂ neutrality 2040 to 2050 refers to Scope 1, 2 & 3 in full. More information available at ÖBB Climate Protection Strategy 2030, <https://presse.oebb.at/en/publications/sustainability-report-2021>

To guide the Company's net zero transition, ÖBB created its own coordination office for group-wide management of sustainability agendas. The ÖBB Sustainability Board was established in 2021 to control sustainability performance and for the targeted exchange of information at top management level.

Failure to adequately prepare for the potential realities of climate change may have a negative impact on the Company's infrastructure and assets, and subsequently to the scope and quality of its mobility services. Climate change risks include transition risks, such as potential positive and negative impacts of climate-related litigation, technological change, and environmental regulatory regimes; and physical risks, such as disruption resulting from extreme weather conditions or increased mortality or morbidity. ÖBB's internal policies and guidelines provide enterprise-wide protocols for managing environmental risks, including climate change. Business and functional units are responsible for observing protocols and exercising due diligence to identify and manage environmental risks in accordance with these policies.

ÖBB's sustainability report presents ESG impact, and risks, being published on yearly basis. The document is prepared based on the Sustainability Diversity Improvement Act of the Austrian Commerce Code (NaDiVeG)⁴⁶, in accordance with the Global Reporting Initiative Standards under the "CORE option" and include information related with the EU Taxonomy Regulation such as the Procedure for identifying Taxonomy-compliant economic activities in the ÖBB Group, as well as the displaying of Taxonomy-compliant activities.

The Sustainability report also lists the Group's objectives related to each of the eight priority topics mentioned above. Amongst them, there is the further reduction of rail noise emissions and air pollutants, the objective to completely abandon the use of glyphosate in vegetation control, to create and improve habitat for species around the railway or the obtention of independent assessment for sustainability performance for its Group companies listed on the capital market.

The Issuer has issued an ESG Rating linked SSD (Schuldscheindarlehen) in June 2022 by ÖBB - Personenverkehr AG.

Rationale for issuance

The transport sector, excluding international air traffic, causes around 29% of Austria's total greenhouse gas (GHG) emissions⁴⁷. For achieving the overall target set by Austria's climate and energy strategy (reduce greenhouse gas emissions by 36 % by 2030 over 2005 levels), 8 million of CO₂ tones will have to be evicted by the transport sector alone⁴⁸.

As the largest Company in the Austrian transport sector, ÖBB has a significant role to play in contributing to the reduction trajectory of Austria's public transport sector. By 2040, the capacity of public transport in Austria is to be doubled with the expansion of the rail infrastructure, the digitization of rail operations and modern vehicles. To achieve such a change in transport modes significant investment and capital is required.

⁴⁶ Sustainability Diversity Improvement Act, <https://www.ris.bka.gv.at/GeltendeFassung.wxe?Abfrage=Bundesnormen&Gesetzesnummer=10001702>

⁴⁷ European Parliamentary Research Service, September 2021, Climate Action in Austria [https://www.europarl.europa.eu/RegData/etudes/BRIE/2021/696186/EPRS_BRI\(2021\)696186_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2021/696186/EPRS_BRI(2021)696186_EN.pdf)

⁴⁸ ÖBB Climate Protection Strategy 2030, https://presse.oebb.at/dam/jcr:54307abe-7093-4ec3-8202-2db1dab3aeae/OEBB_KSB2019_EN_web.pdf

The sustainability of these investments and their compatibility with Austrian and EU’s objectives is listed as a key topic in ÖBB Group’s sustainability strategy. The Sustainable Finance Framework forms the basis for future Green and Sustainability-Linked Instrument issuances of ÖBB. It aims to gradually include ÖBB’s sustainability and financing strategy.

The projects that are considered are all assigned to the “Clean Transportation” green project category contained in the Green Bond Principles and Green Loan Principles.

As well, the KPI selection and the calibration of the SPT ensures alignment with the Sustainability-Linked Bond Principles and the Sustainability-Linked Loans Principles. These instruments will enable ÖBB Group’s to further implement its sustainability strategy to improve working conditions, gender diversity as well as overarching decarbonization and sustainability strategy.

Opinion: The key sustainability objectives and the rationale for issuing Green Bonds and Sustainability-Linked Instruments are clearly described by the Issuer. The project categories financed are in line with the sustainability objectives of the Issuer.

B. ÖBB’S BUSINESS EXPOSURE TO ESG RISKS

This section aims to provide an overall level of information on the ESG risks to which the Issuer is exposed through its business activities, providing additional context to the issuance assessed in the present report.

ESG risks associated with the Issuer’s industry

The Issuer is classified in the **Rail Transportation Industry**, as per ISS ESG’s sector classification. Key challenges faced by companies in terms of sustainability management in this industry are displayed in the table below. Please note that this is not a Company-specific assessment but areas that are of relevance for companies within that industry.

ESG KEY ISSUES OF THE INDUSTRY:

Climate protection

Labour standards and working conditions

Transport safety and stakeholder responsibility

Pollution prevention

ESG strengths and points of attention related to the Issuer’s disclosures

Leveraging ISS ESG’s Research, the following strengths and points of attention⁴⁹ have been identified:

⁴⁹ Please note that ÖBB is not part of the ISS ESG Corporate Rating Universe. Thus, the information is based on a disclosure review conducted by the analyst in charge of the Rail Transportation sector, based on publicly available information exclusively. No direct communication between the Issuer and the analyst has taken place during the process. The below is not based on an ISS ESG Corporate Rating but considers ISS ESG Research’s methodology.

STRENGTHS	POINTS OF ATTENTION
<p>The Company discloses its commitment and measures with regard to freedom of association and collective bargaining, non-discrimination for its employees. Further, the Company offers basic support for child and dependent care and special leave.</p>	<p>The Company conducts supplier risk assessments and off-site audits to ensure compliance with the supplier standard on labour rights and working conditions. However, there is no information regarding the procedures implemented in case of non-compliance with the supplier code and whistleblowing helplines/channels for supply chain workers.</p>
<p>The Company has implemented a health and safety management system and it publicly discloses its occupational accident rate (LTIR) and the number of fatalities for the last 2 years. However, there have been work-related fatal accidents among employees in recent years.</p> <p>The Company discloses elements of its transport safety management system and some measures that have been implemented to manage safety issues relevant to rail transport.</p>	<p>The Company publicly discloses data regarding its operational safety. However, there is no information regarding its incident rate related to passenger and/or freight transport in the last three years. Furthermore, there is limited information on measures implemented to handle passenger and crew safety, regarding passenger road mass transport.</p>
<p>The Company provides easily accessible complaint filing options for customers (e.g., online portals and via toll-free hotlines), publicly discloses its compensation rules and provides some complaints-related performance data.</p>	<p>The Company discloses very limited information regarding its measures to ensure the safe transport of hazardous goods and substances.</p>
<p>The Company informs affected communities about its operations and feedback mechanisms for public consultation are in place. Furthermore, the Company has disclosed various measures to ensure accessibility of transport services (transport premises/vehicles, travel information, and ticket sales point) for persons with disabilities.</p>	<p>Some energy use reduction targets are set by the Company. However, the targets are not clearly defined, regarding the time frame and the base year.</p> <p>Furthermore, the Company has disclosed its energy consumption. However, there is no information regarding energy and fuel intensity for its passenger and freight transport.</p>
<p>The Company's greenhouse gas (GHG) emission inventories cover emissions from Scopes 1, 2 and 3. Additionally, comprehensive information is available on the methodology (Federal Environment Agency) used to calculate greenhouse gas emission inventories. The Company also reports its carbon emission intensity for its passenger and freight transport.</p>	<p>The Company has set the target of becoming carbon neutral and has planned measures to achieve GHG emission reductions (e.g., energy efficiency, and use of renewable energy sources). However, limited information is available on clearly defined GHG emission reduction targets in line with the emission reductions required to limit the global temperature increase to well below 2°C compared to pre-industrial levels.</p>

The Company has implemented various measures to reduce noise emissions from rail transport such as introducing noise barriers/dams, procurement of trains with lower noise emissions, etc. Furthermore, the Company has disclosed its measures to prevent and mitigate adverse impacts of rail infrastructure on biodiversity (e.g., Environmental/biodiversity impact assessments, restrictions on Glyphosate herbicide use, etc.) for all life-cycle stages of railroad management.

The Company has disclosed limited information on its measures to reduce noise emissions, energy consumption and fuel consumption/efficiency from mass passenger road transport.

Regarding use of renewable/alternative fuels, the Company has implemented a pilot project to introduce use of Hydrogen bus in its passenger road transport fleet and used renewable energy for electric traction for its rail transport fleet. A majority of the Company's rail fleet is composed by electric locomotives and is powered by renewable sources of energy. Additionally, there are various measures to reduce energy consumption and fuel consumption.

The Company also offers comprehensive measures to promote intermodal transport (passenger and freight). Moreover, the Company has disclosed some measures to ensure energy efficiency of its buildings and disclosed a strategy regarding on-site renewable energy production and procurement of renewable energy for its building operations.

Please note that the consistency between the issuance subject to this report and the Issuer's sustainability strategy is further detailed in Part III.B of the report.

Sustainability impact of products and services portfolio

Leveraging ISS ESG's Sustainability Solutions Assessment methodology, the contribution of the Issuer's current products and services portfolio to the Sustainable Development Goals defined by the United Nations (UN SDGs) has been assessed as per the table below. This analysis is limited to the evaluation of final product characteristics and does not include practices along the Issuer's production process.

Social Impact of Product Portfolio:

PRODUCT/SERVICES PORTFOLIO	ASSOCIATED PERCENTAGE OF REVENUE	DIRECTION OF IMPACT	UN SDGS
Public transportation services	25%	CONTRIBUTION	 

Environmental Impact of Product Portfolio:

PRODUCT/SERVICES PORTFOLIO	ASSOCIATED PERCENTAGE OF PRODUCT REVENUE ⁵⁰	DIRECTION OF IMPACT	UN SDGS
Rail transport (electric)	40%	CONTRIBUTION	 
Passenger road mass transport (conventional combustion engine vehicles)	15%	CONTRIBUTION	
Rail transport (diesel, diesel-electric)	15%	CONTRIBUTION	
Rail infrastructure	13%	CONTRIBUTION	 
Key components for rolling stock (electric)	1%	CONTRIBUTION	 

Breaches of international norms and ESG controversies

At Issuer level

At the date of publication and leveraging ISS ESG Research, no controversy in which the Issuer would be involved has been identified.

At industry level

⁵⁰ Percentages presented in this table are not cumulative.

Based on a review of controversies over a 2-year period, the top three issues that have been reported against companies within the Rail Transportation industry are as follows: failure to prevent air pollution, failure to respect the right to just and favorable conditions of work, failure to respect the right to health

Please note, that this is not a Company specific assessment but areas that can be of particular relevance for companies within that industry.

DISCLAIMER

1. Validity of the Second Party Opinion (“SPO”): Valid as long as the cited Framework remains unchanged.
2. ISS Corporate Solutions, Inc. (“ICS”), a wholly-owned subsidiary of Institutional Shareholder Services Inc. (“ISS”), sells/distributes Second Party Opinions which are prepared and issued by ISS ESG, the responsible investment arm of ISS, on the basis of ISS ESG’s proprietary methodology. In doing so, ISS adheres to standardized procedures to ensure consistent quality of responsibility research worldwide. Information on ISS’s methodology is available upon request.
3. Second Party Opinions are based on data provided by the party to whom the Second Party Opinion is provided (“Recipient”). ISS does not warrant that the information presented in this Second Party Opinion is complete, accurate or up to date. Neither ISS or ICS will have any liability in connection with the use of these Second Party Opinions, or any information provided therein.
4. Statements of opinion and value judgments given by ISS are not investment recommendations and do not in any way constitute a recommendation for the purchase or sale of any financial instrument or asset. In particular, the Second Party Opinion is not an assessment of the economic profitability and creditworthiness of a financial instrument, but refers exclusively to the social and environmental criteria mentioned above. Statements of opinion and value judgments given by ISS are based on the information provided by the Recipient during the preparation of the Second Party Opinion and may change in the future, depending on the development of market benchmarks, even if ISS is requested by the Recipient to provide another Second Party Opinion on the same scope of work.
5. This Second Party Opinion, certain images, text and graphics contained therein, and the layout and Company logo of ICS, ISS ESG, and ISS are the property of ISS and are protected under copyright and trademark law. Any use of such ISS property shall require the express prior written consent of ISS. The use shall be deemed to refer in particular to the copying or duplication of the Second Party Opinion wholly or in part, the distribution of the Second Party Opinion, either free of charge or against payment, or the exploitation of this Second Party Opinion in any other conceivable manner.

The Recipient that commissioned this report may have purchased self-assessment tools and publications from ICS or ICS may have provided advisory or analytical services to the Recipient. No employee of ICS played a role in the preparation of this report. If you are an ISS institutional client, you may inquire about any Recipient’s use of products and services from ICS by emailing disclosure@issgovernance.com.

This report has not been submitted to, nor received approval from, the United States Securities and Exchange Commission or any other regulatory body. While ISS exercised due care in compiling this report, it makes no warranty, express or implied, regarding the accuracy, completeness or usefulness of this information and assumes no liability with respect to the consequences of relying on this information for investment or other purposes. In particular, the research and scores provided are not intended to constitute an offer, solicitation or advice to buy or sell securities nor are they intended to solicit votes or proxies.

Deutsche Börse AG (“DB”) owns an approximate 80% stake in ISS HoldCo Inc., the holding Company which wholly owns ISS. The remainder of ISS HoldCo Inc. is held by a combination of Genstar Capital (“Genstar”) and ISS management. ISS has formally adopted policies on non-interference and potential conflicts of interest related to DB, Genstar, and the board of directors of ISS HoldCo Inc. These policies are intended to establish appropriate standards and procedures to protect the integrity and independence of the research, recommendations, ratings and other analytical offerings produced by ISS and to safeguard the reputations of ISS and its owners. Further information regarding these policies is available at <https://www.issgovernance.com/compliance/due-diligence-materials>.

© 2023 | Institutional Shareholder Services and/or its affiliates

ANNEX 1: Methodology

EU Taxonomy

The assessment evaluates whether the details of the nominated projects and assets or project selection eligibility criteria included in the Sustainable Finance Framework meet the criteria listed in relevant Activities in the EU Taxonomy Climate Delegated Act (June 2021).

The evaluation shows if ÖBB Group's project categories are indicatively in line with the entirety (or some of) the requirements listed in the EU Taxonomy Technical Annex.

The evaluation was carried out using information and documents provided on a confidential basis by ÖBB Group (e.g. Due Diligence Reports). Further, national legislation and standards, depending on the project category location, were drawn on to complement the information provided by the Issuer.

Green KPIs

The Green Bond KPIs serve as a structure for evaluating the sustainability quality – i.e. the social and environmental added value – of the use of proceeds of ÖBB Group's Green Financial Instruments.

It comprises firstly the definition of the use of proceeds category offering added social and/or environmental value, and secondly the specific sustainability criteria by means of which this added value and therefore the sustainability performance of the assets can be clearly identified and described.

The sustainability criteria are complemented by specific indicators, which enable quantitative measurement of the sustainability performance of the assets and which can also be used for reporting. If a majority of assets fulfill the requirement of an indicator, this indicator is then assessed positively. Those indicators may be tailor-made to capture the context-specific environmental and social risks.

Environmental and social risks assessment methodology

The Environmental and social risks assessment evaluates whether the assets included in the asset pool match the eligible project category and criteria listed in the Green Bond KPIs.

All percentages refer to the amount of assets within one category (e.g. wind power). Additionally, the assessment "no or limited information is available" either indicates that no information was made available or that the information provided did not fulfil the requirements of the Green Bond KPIs.

The evaluation was carried out using information and documents provided on a confidential basis by ÖBB Group (e.g. Due Diligence Reports). Further, national legislation and standards, depending on the asset location, were drawn on to complement the information provided by the Issuer.

Assessment of the contribution and association to the SDG

The 17 Sustainable Development Goals (SDGs) were endorsed in September 2015 by the United Nations and provide a benchmark for key opportunities and challenges toward a more sustainable future. Using a proprietary method, the extent to which ÖBB Group's Green Financial Instruments contributes to related SDGs has been identified.

Alignment of the concept set for transactions against the Sustainability-Linked Bond Principles, as administered by ICMA and Sustainability-Linked Loan Principles, as administered by LMA

The Sustainability Financing Framework of ÖBB, as well as the concept and processes for issuance have been reviewed against the Sustainability-Linked Bond Principles administered by the

ICMA/Sustainability-Linked Loan Principles by the LMA. Those principles are voluntary process guidelines that outline best practices for financial instruments to incorporate forward-looking ESG outcomes and promote integrity in the development of the Sustainability-Linked Bond/Loan market by clarifying the approach for issuance.

The alignment of the concept of the ÖBB's issuance has been reviewed against the mandatory and necessary requirements as per the Appendix II - SLB Disclosure Data Checklist of those principles, and against the encouraged practices as suggested by the core content of the Principles.

Analysis of the KPI selection and associated SPT

In line with the voluntary guidance provided by the Sustainability-Linked Bond Principles/Sustainability-Linked Loan Principles, an in-depth analysis of the sustainability credibility of the KPI selected and associated SPT has been conducted.

The analysis has determined whether the KPI selected is core, relevant and material to the Issuer's business model and consistent with its sustainability strategy thanks to long-standing expertise in evaluating corporate sustainability performance and strategy. The analysis also reviewed whether the KPI is appropriately measurable by referring to key reporting standards and against acknowledged benchmarks. Based on the factors derived from the SLBP and using a proprietary methodology, the KPI selection assessment is classified on a 3-level scale:

Not Aligned	Aligned	Best Practice
The KPI is not aligned if one of the core requirement from the SLBP selection of KPIs section is not satisfied.	The KPI is aligned if all the core requirements from the SLBP selection of KPIs section are satisfied.	The KPI follows best practice if all the core requirements from the SLLP selection of KPIs section are satisfied and if the KPI is fully material and follows best-market practices in terms of benchmarkability.

The ambition of the SPT has been analyzed against the Issuer's own past performance (according to Issuer's reported data), against the Issuer's industry peers (for example per ISS ESG Peer Universe data), and against international benchmarks such as the Paris agreement (based on data from the Transition Pathway Initiative or Science-Based Targets initiative). Finally, the measurability and comparability of the SPT, and the supporting strategy and action plan of the Issuer have been evaluated.

Based on the factors derived from the SLBP and using a proprietary methodology, the SPT selection assessment is classified on a 4-level scale:

No Evidence	Limited	Good	Robust
If none of the three dimensions (past performance, industry peers and international benchmarks) are positively assessed.	If the SPT is ambitious against only one of the three dimensions.	If the SPT is ambitious against two of the three dimensions.	If the SPT is ambitious against all the dimensions.

ANNEX 2: Quality management processes

SCOPE

ÖBB Group commissioned ICS to compile a Green Financial Instruments SPO. The Second Party Opinion process includes verifying whether the Sustainable Finance Framework aligns with the ICMA Green Bond Principles, LMA Green Loan Principles and ICMA Sustainability-Linked Bond Principles/LMA Sustainability-Linked Loan Principles to assess the sustainability credentials of its Sustainability Financing Instruments, as well as the Issuer's sustainability strategy.

CRITERIA

Relevant Standards for this Second Party Opinion

- ICMA Green Bond Principles
- LMA Green Loan Principles
- ICMA Sustainability-Linked Bond Principles
- LMA Sustainability-Linked Loan Principles

ISSUER'S RESPONSIBILITY

ÖBB Group's responsibility was to provide information and documentation on:

- Framework
- Eligibility Criteria
- Documentation of ESG risks management at framework level

ISS ESG's VERIFICATION PROCESS

ISS ESG is one of the world's leading independent environmental, social and governance (ESG) research, analysis and rating houses. The Company has been actively involved in the sustainable capital markets for over 25 years. Since 2014, ISS ESG has built up a reputation as a highly-reputed thought leader in the green and social bond market and has become one of the first CBI approved verifiers.

This independent Second Party Opinion of the Green Financial Instruments to be issued by ÖBB Group has been conducted based on a proprietary methodology and in line with the ICMA Green Bond Principles and the LMA Green Loan Principles.

The engagement with ÖBB Group took place from March to June 2023.

ISS' BUSINESS PRACTICES

ISS has conducted this verification in strict compliance with the ISS Code of Ethics, which lays out detailed requirements in integrity, transparency, professional competence and due care, professional behavior and objectivity for the ISS business and team members. It is designed to ensure that the verification is conducted independently and without any conflicts of interest with other parts of the ISS Group.

About this SPO

ISS ESG is one of the world's leading rating agencies in the field of sustainable investment. The agency analyses companies and countries regarding their environmental and social performance.

We assess alignment with external principles (e.g. the ICMA Green Bond Principles), analyse the sustainability quality of the assets and review the sustainability performance of the Issuer themselves. Following these three steps, we draw up an independent SPO so that investors are as well informed as possible about the quality of the bond/loan from a sustainability perspective.

Learn more: <https://www.isscorporatesolutions.com/solutions/esg-solutions/green-bond-services/>

For more information on SPO services, please contact: SPOsales@isscorporatesolutions.com

For more information on this specific Green Financial Instruments SPO, please contact: SPOOperations@iss-esg.com

Project team

Project lead	Project Lead	Project support	Project support	Project support
Fabio Silva Associate ESG Consultant	Louis Cottin Analyst ESG Consultant	Kathinka Gruber Associate ESG Consultant	Vittoria Favalaro Analyst ESG Consultant	Jolly Sinha Sr. Associate ESG Consultant

Project support	Project support	Project support	Project supervision
Orane Busto Associate ESG Consultant	Marika Peressoni Analyst ESG Consultant	Donatus Salsali Analyst ESG Consultant	Marie-Bénédicte Beaudoin Associate Director Head of ISS ESG SPO Operations