

# NIS2

## Directive



NEW CYBER SECURITY LAW  
ZDENEK KOBELKA

# WE ARE ŠKODA GROUP



**10,002**  
employees (31/12/2023)



**7**  
production sites



**30+**  
nationalities



**165+**  
years of history



**1,382 EURm**  
revenues in 2023



**85 EURm**  
R&D investments in 2023

*Including 50% of Temsa*



**PPF GROUP**  
shareholder

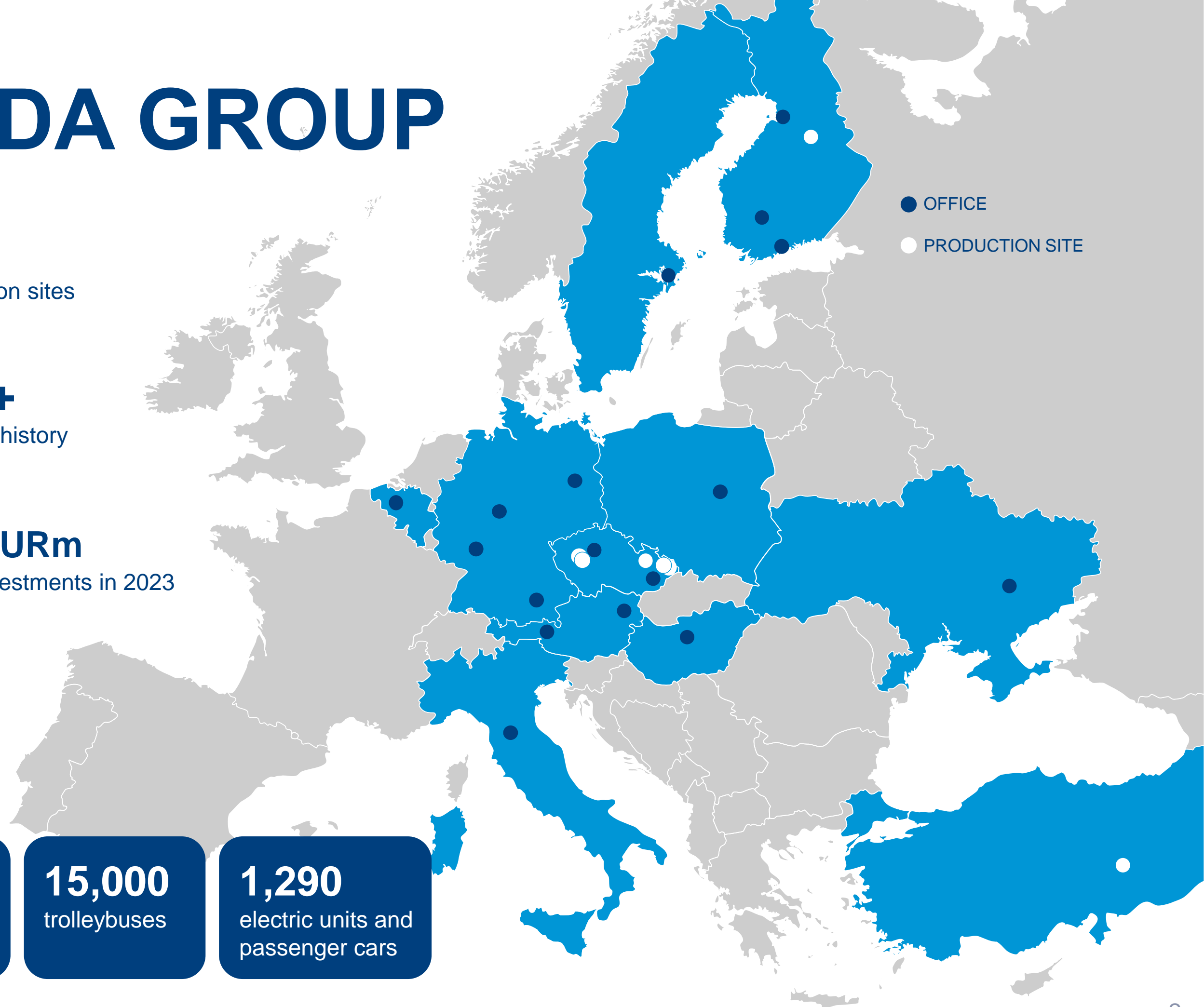
**> 5,500**  
electric  
locomotives

**837**  
metro cars

**> 1,100**  
low-floor  
trams

**15,000**  
trolleybuses

**1,290**  
electric units and  
passenger cars



● OFFICE  
● PRODUCTION SITE

# PORTFOLIO AT A GLANCE



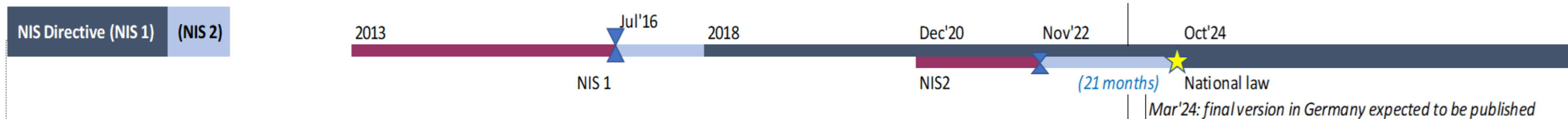
# NIS2

- | The NIS2 Directive is the EU-wide legislation on cybersecurity. It provides legal measures to boost the overall level of cybersecurity in the EU.
  - | Directive on measures for a high common level of cybersecurity across the Union (NIS2 Directive) | Shaping Europe's digital future (europa.eu)
- | Directive of the European Union
- | Not binding by itself
- | Needs to be implemented into national law
- | Therefore, it will be slightly different in each member country = 27 flavors
- | Disclaimer: EU Directive vs Czech CS Law (draft) and translations
- | No room for detailed presentation, therefore, just highlights and what I think is important for Rail Industry





# TIMELINE



- | Long History: NIS1, NIS2
- | Deadline October 17<sup>th</sup>
- | Current Status Czechia:
  - | Government Approved
  - | Currently in Parliament
  - | October not realistic
  - | Will become effective in 2025 (Let's Hope!)
- | Many other countries in similar position
- | But there is no doubt it will be implemented in all EU countries

# EVERYBODY WILL BE IMPACTED

## | Company Size

- | Medium 50-250 Employees and Revenue 10-50mil Euro
- | Large >250 Employees and > 50mil Euro

## | Holding companies → All together

## | Regulated Services → Individual companies

- | Listed in Directive
- | Each individual needs to be assessed

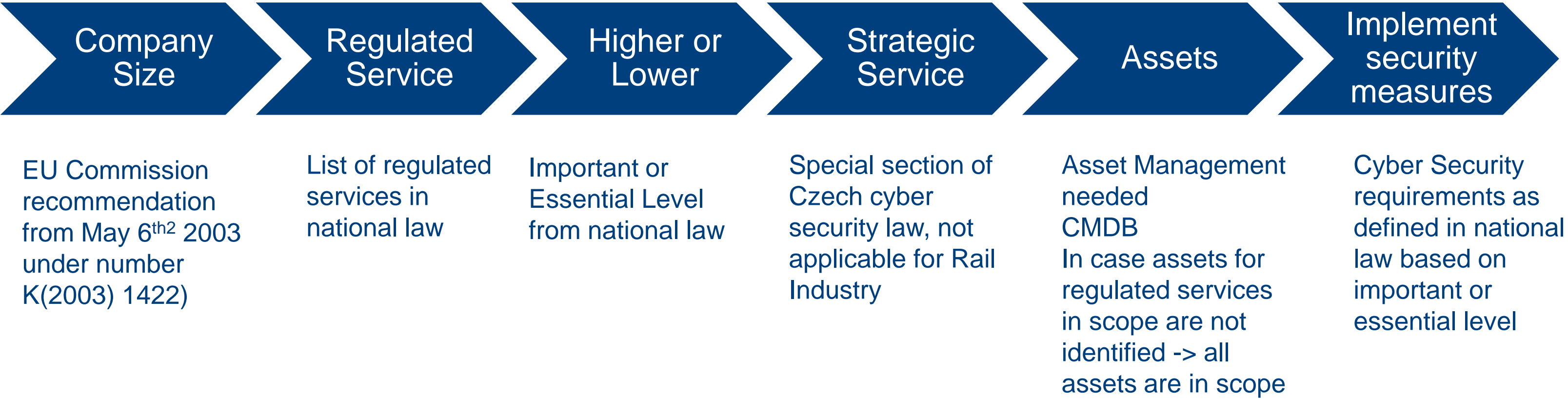
## | Cyber Security Requirements

- | Important
- | Essential

## Sectors included (impacted)

- public administration and the exercise of public power,
- energy,
- manufacturing industry,
- food industry,
- chemical industry,
- water management,
- waste management,
- transport,
- digital infrastructure and services,
- financial market,
- healthcare,
- science, research and education,
- postal and courier services,
- defense industry,
- space industry

# PROCESS DEFINE SCOPE



## Skoda Group Analysis (Status)

LARGE

YES

LOWER

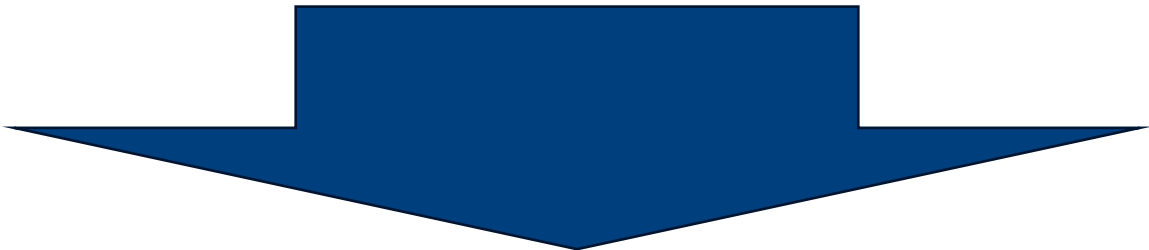
NO

GAP

GAP

# RAIL IS REGULATED BY DIRECTIVE

2. Transport	(b) Rail	— Infrastructure managers as defined in Article 3, point (2), of Directive 2012/34/EU of the European Parliament and of the Council <sup>(9)</sup>
		— Railway undertakings as defined in Article 3, point (1), of Directive 2012/34/EU, including operators of service facilities as defined in Article 3, point (12), of that Directive



**DIRECTIVE 2012/34/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**

**of 21 November 2012**

**establishing a single European railway area**

*Article 3*

**Definitions**

For the purpose of this Directive, the following definitions apply:

- (1) ‘railway undertaking’ means any public or private undertaking licensed according to this Directive, the principal business of which is to provide services for the transport of goods and/or passengers by rail with a requirement that the undertaking ensure traction; this also includes undertakings which provide traction only;
- (2) ‘infrastructure manager’ means any body or firm responsible in particular for establishing, managing and maintaining railway infrastructure, including traffic management and control-command and signalling; the functions of the infrastructure manager on a network or part of a network may be allocated to different bodies or firms;



# CZECH LAW IMPLEMENTATION

7. Manufacturing industry

Regulated service	
Service	Conditions of significance of the provider of the regulated service and its regime
7.4. Manufacture of motor vehicles (except motorcycles), trailers and semi-trailers	The manufacturer of motor vehicles, trailers and semi-trailers in the sense of section 29 of the CZ-NACE classification is I. a regulated service provider in the regime of higher obligations in the event that it serially produces passenger motor vehicles, II. a regulated service provider under the regime of lower obligations, if it is a large or medium-sized enterprise.
7.5. Production of other means of transport and equipment	A manufacturer of other means of transport and equipment within the meaning of section 30 of the CZ-NACE classification, which is a large or medium-sized enterprise, is a regulated service provider under the regime of lower obligations.

13. Rail transport

Regulated service	
Service	Conditions of significance of the provider of the regulated service and its regime
13.2. Operation of the national railway	The national railway operator according to the Act on Railways is I. provider of a regulated service under the regime of higher obligations, if it is a large enterprise. II. a regulated service provider in the regime of lower obligations, if it is a medium-sized enterprise.
13.3. Regional railway operation	The regional railway operator according to the Act on Railways is I. provider of a regulated service under the regime of higher obligations, if it is a large enterprise. II. a regulated service provider in the regime of lower obligations, if it is a medium-sized enterprise.
13.4. Operation of publicly accessible sidings	The operator of a publicly accessible siding according to the Act on Railways is I. provider of a regulated service under the regime of higher obligations, if it is a large enterprise, II. a regulated service provider in the regime of lower obligations, if it is a medium-sized enterprise.
13.5. Operation of rail transport on the national railway	A rail transport operator on a national railway according to the Act on Railways, with the exception of a rail transport operator that does not carry out the transport of persons, goods or animals or does not provide traction <sup>24</sup> , is I. provider of a regulated service under the regime of higher obligations, if it is a large enterprise, II. a regulated service provider in the regime of lower obligations, if it is a medium-sized enterprise.
13.6. Operation of rail transport on the regional railway	A rail transport operator on a regional railway according to the Act on Railways, with the exception of a rail transport operator that does not carry out the transport of persons, goods or animals or does not provide traction <sup>25</sup> , is I. provider of a regulated service under the regime of higher obligations, if it is a large enterprise,

# REQUIREMENTS / MEASURES

## Essential Level

### Organizational

- | IS management system
- | **Senior management responsibilities**
- | Security roles
- | Security policy and documentation
- | **Asset management**
- | **Risk management**
- | Supplier management
- | **Human resource security**
- | Change management
- | Acquisition, development and maintenance
- | Access control/management
- | **CS event and incident management**
- | **Business Continuity management**
- | CS Audit

### Technical

- | Physical security
- | **Security of communication networks**
- | **Identity management and verification**
- | **Access control**
- | **Detection of CS events**
- | **Logging of CS and operational events**
- | Evaluating CS events
- | **Application Security**
- | **Cryptographic algorithms**
- | Ensuring availability of the regulated service
- | Security of industrial, control and similar technical assets

## Important Level

### Organizational and Technical

- | **CS implementation**
- | **Senior management responsibilities**
- | **Asset management**
- | **Risk management**
- | **Human resource security**
- | **Business Continuity management**
- | **Access control**
- | **Identity management and verification**
- | **Detection of CS events**
- | **Logging of CS and operational events**
- | **CS event and incident management**
- | **Application Security**
- | **Cryptographic algorithms**

# MANUFACTURER OPERATOR RELATIONSHIP

- | Supplier Management
- | Important Supplier
- | Some requirements will need cooperation between manufacturer (suppliers) and operator
- | Start early
- | Needs to lead to a Master Agreement Amendment
- | Do not underestimate services that are not your core business (solar, hydrogen, military, ...)



