

useful information for stakeholders

2019



Metropolitano de Lisboa

useful information for stakeholders

2019

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message from the Chairman

Highlights of the year

In 2019, Metropolitano de Lisboa continued to develop an intense activity in terms of investment in infrastructure and continued to increase the recovery of rolling stock which, with the implementation of PART – Programa de Apoio à Redução Tarifária (Fare Reduction Support Programme), posed new challenges to the company, due to the considerable and immediate increase in demand for public transport use.

“**In 2019, Metropolitano de Lisboa carried 173 million passengers, taking into account transport ticket validations, with an expected upward trend of this figure over the coming years.**”

Regarding the network modernisation project, the tender launched in September 2018, to replace the current railway signalling system by a Communications-Based Train Control system (CBTC) and the acquisition of 14 new triple units (42 cars) in January 2020, constituted important steps for the future of Metropolitano de Lisboa. The installation of the CBTC system will also make it possible to adapt 70 existing triple units to the new signalling system.

With regard to the Network Expansion project, Metropolitano de Lisboa continued work on the Rato/Cais do Sodré extension project, which culminated with the launch, in January 2019, of the tender for the Construction of the shell works of the Rato/Santos and Santos/Cais do Sodré lots.

In terms of rolling stock, the renovation of the ML90 series door systems and in-depth overhaul of the door-opening system of the ML95, ML97 and ML99 series should allow for a significant increase in rolling stock reliability. These contracts are already in execution.

With regard to infrastructure modernization and refurbishment, the contract for the remodelling of the Arroios station was continued, aiming to extend its platform to accommodate six car-trains.

During 2019, work also began on the rehabilitation and modernization of some network stations, namely in terms of lighting, cleaning, equipment upgrading and improving, signage and accessibilities. In this regard, it is worth highlighting the replacement of two escalators at Baixa-Chiado station, the launch of the procedure for the Colégio Militar station, the revision of the project for the Areeiro station, the replacement of the street lift at the Rato station, among others.

Following the renovation project and the improvement of the network's accessibility conditions, Metropolitano de Lisboa also continued to implement the plan that forecasts the transition to 52 step-free stations from the existing 38 with full accessibility, with 2019 marking the renovation process of several stations. In 2019, Metropolitano de Lisboa rehabilitated the Anjos and Intendente stations. By 2020 we foresee the conclusion of the interventions in Olivais, Colégio Militar and Areeiro stations. The replacement of the Rato station lift was also completed and reopened to the public in February.

On the other hand, Metropolitano de Lisboa continued its investment, initiated in 2018, in the systems that, in the short term, will guarantee an increase in customer information, having also invested in the development of the bases for a very significant future change of the ticketing system, with important impacts on the improvement and ease of access of customers to our network.

“**Following the renovation project and the improvement of the network's accessibility conditions, Metropolitano de Lisboa continued to implement the plan that forecasts the transition to 52 step-free stations, from the existing 38 fully accessible station.**”

In terms of human capital management, it is also worth noting that the company continued in 2019, to value collective bargaining as an indispensable instrument for the promotion of social peace. As a response to the need, determined in 2019, to increase its workforce, Metropolitano de Lisboa hired 40 Station Agents, 2 Electromechanical Officers, 5 Electronics Technicians, 2 Track Officers, 1 Electrician Officer and 1 Corporate graduate staff member.

Within the scope of the public transport service provided by Metropolitano de Lisboa, the company has implemented a series of measures and projects aimed at the progressive reduction of water and power consumption and CO₂ emissions (indirectly, through power consumption), as well as a rational management of these resources, being publicly recognized as a promoter of environmental sustainability. In this context, in 2019, Metropolitano de Lisboa continued measures to increase energy efficiency, in line with its commitment to sustainable mobility, having developed a set of technological changes for more efficient systems, namely in terms of lighting and ventilation system.

Still within the environmental sustainability scope, in 2019 Metropolitano de Lisboa signed the Pacto de Mobilidade Empresarial para a Cidade de Lisboa (Business Mobility Pact for the City of Lisbon), thus joining the World Business Council for Sustainable Development (WBCSD), the City Council, the Business Council for Sustainable Development (BCSD Portugal) and 53 other companies to create more ecological and efficient solutions to meet the needs and challenges of mobility and, simultaneously, the conservation and protection of the planet.

The company also subscribed to the Commitment “Lisbon European Green Capital 2020 - Climate Action for 2030”, where it commits to the implementation of several actions aimed at fulfilling the environmental goals set for the city of Lisbon.

In terms of the assets not allocated to operation, significant steps were also taken to make ML's vast property assets more profitable, namely the land plots of the Sete Rios Depot and Workshop I.

With regard to Ferconsult, S.A., its activity has remained focused on providing services directly to its shareholder, ensuring the commitments assumed with ongoing national and international projects, having carried out the studies and project phases necessary for the launch, by Metropolitano de Lisboa, of the tender for the design/construction of the shell works of the Rato/Cais do Sodré extension and providing the necessary support for the completion of the Arroios and Areeiro station refurbishment works.

As far as Metrocom, S.A. is concerned, in 2019 this company continued its activity towards maximising the profitability and the improvements of the image of Metropolitano de Lisboa's commercial areas, in terms of dynamics and attractiveness, proactively contributing to the positive image of Metropolitano de Lisboa's network stations and its brand. With an increase in revenues and space occupation in 2019, it adapted to new market trends and sought new business models to occupy new station spaces.

These are the projects that, after so many years, will promote a better physical coverage of Metropolitano de Lisboa's network, underpinning the role of the company as a structural transport operator in the mobility of Lisbon's Metropolitan Area.

“ A word of gratitude is also due to all of those who, working or collaborating with the group companies, contribute daily to improving the quality of the service provided. ”

Finally, we would also like to thank the members of the governing bodies for their continuous commitment and availability, within the framework of their respective competencies, to support the Board of Directors in achieving the goals referred to in this report and ensuring the regular functioning of the companies.

Lisbon, July 28, 2020

The Chairman of the Board of Directors
Vitor Domingues dos Santos

company identification

Metropolitano de Lisboa, E.P.E. is a public corporation with legal personality and administrative and financial autonomy, governed by its bylaws and the law applying to public enterprises.

Mission

To provide a public passenger transport service in metro mode comprising operation, construction and infrastructure management, including operation of commercial spaces, that is customer-oriented and promotes mobility.

Vision

To be the structuring public transport operator and guarantor of Lisbon's urban mobility, according to the highest standards of quality, safety and economic, social and environmental efficiency.

Values

Economic, social and environmental responsibility as a sustainable company and promoter of sustainability. Rigour and transparency from an ethics point of view and behaviour, both in business and in individual terms, as an Organisation governed by principles of honesty, transparency and respect for its stakeholders. Quality and safety in service provision.



Public passenger transport service in Metro Mode, including operation, construction and management of infrastructure and the exploration of commercial spaces

subsidiary companies of Metropolitano de Lisboa

Ferconsult

Remained focused on providing services to its shareholder, as well as exporting engineering services to international markets.

As part of its activity, it carried out the studies and project phases required for the launch, by Metropolitano de Lisboa, of the tender for the design/construction of the shell works of the Rato/Cais do Sodré extension and supported the completion of the refurbishment works in Arroios and Areeiro stations.

Metrocom

Continued its activity towards maximizing the profitability of ML's commercial areas, seeking to increase the number of shops available to customers.

It also sought to improve the image of these commercial spaces, proactively contributing to a positive image of Metropolitano de Lisboa's network and brand image.

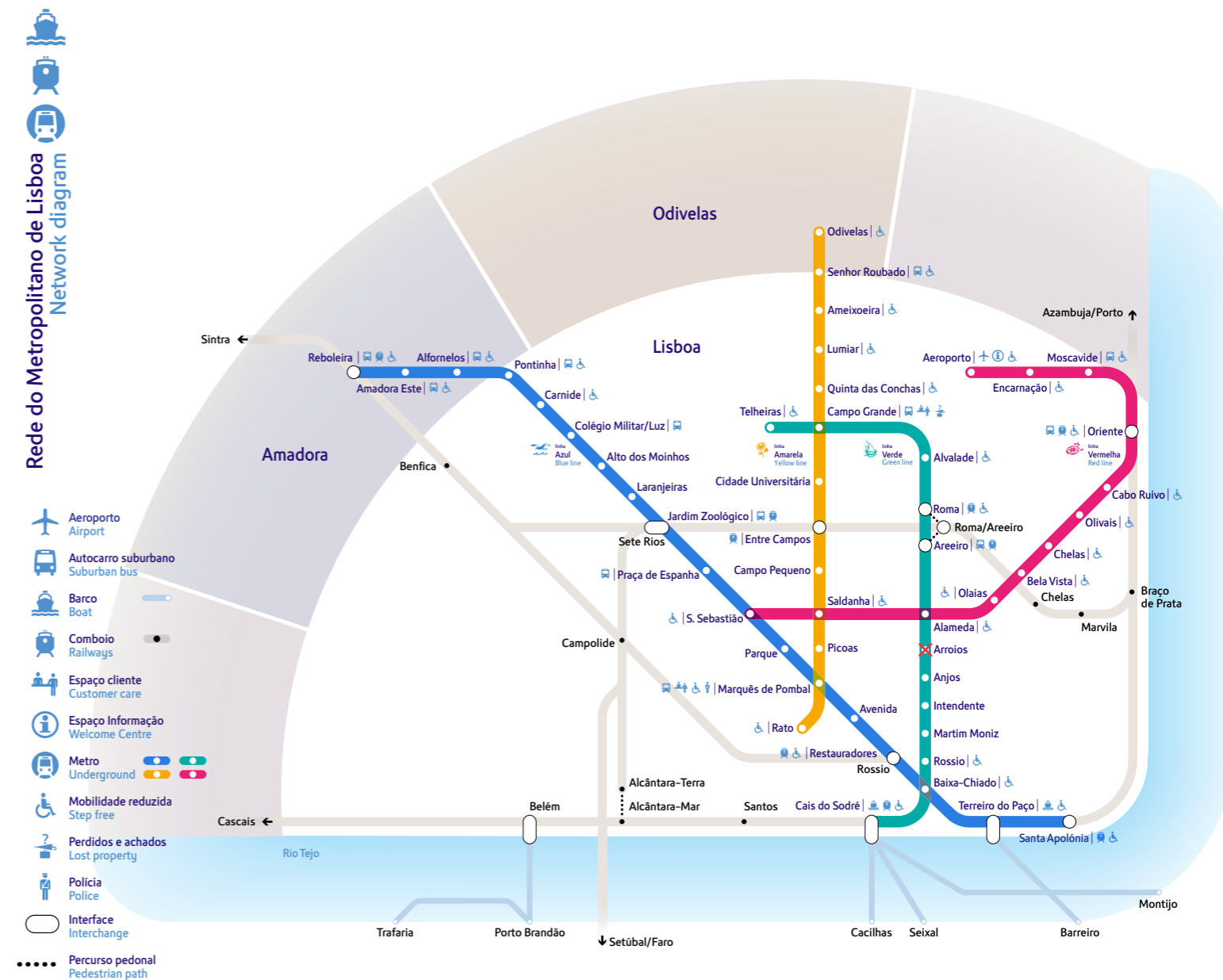




In 2019, Metropolitano de Lisboa developed the following activities:

- **Rato/Cais do Sodré Extension** – Continuation of the work related to this extension project, which culminated with the launch, in January, of the tender for the construction of Lots 1 (Rato/Santos) and 2 (Santos/Cais do Sodré);
- **Rolling Stock and Superstructure** – Contracts were signed for:
 - Complete overhaul of the ML95, ML97 and ML99 series door opening systems (February);
 - Purchase and installation of an electric drive system for the ML90 doors (July);
 - Refurbishment and expansion of the Arroios station (September);
- **Systems and Equipment** – Implementation of the concession project for the Renovation of the Technical Facilities Supervision (SSIT) and the contract for the Acquisition and installation of equipment for the video surveillance system (CITV) and Track intrusion detection systems, carried out in July 2019.

current Metro network

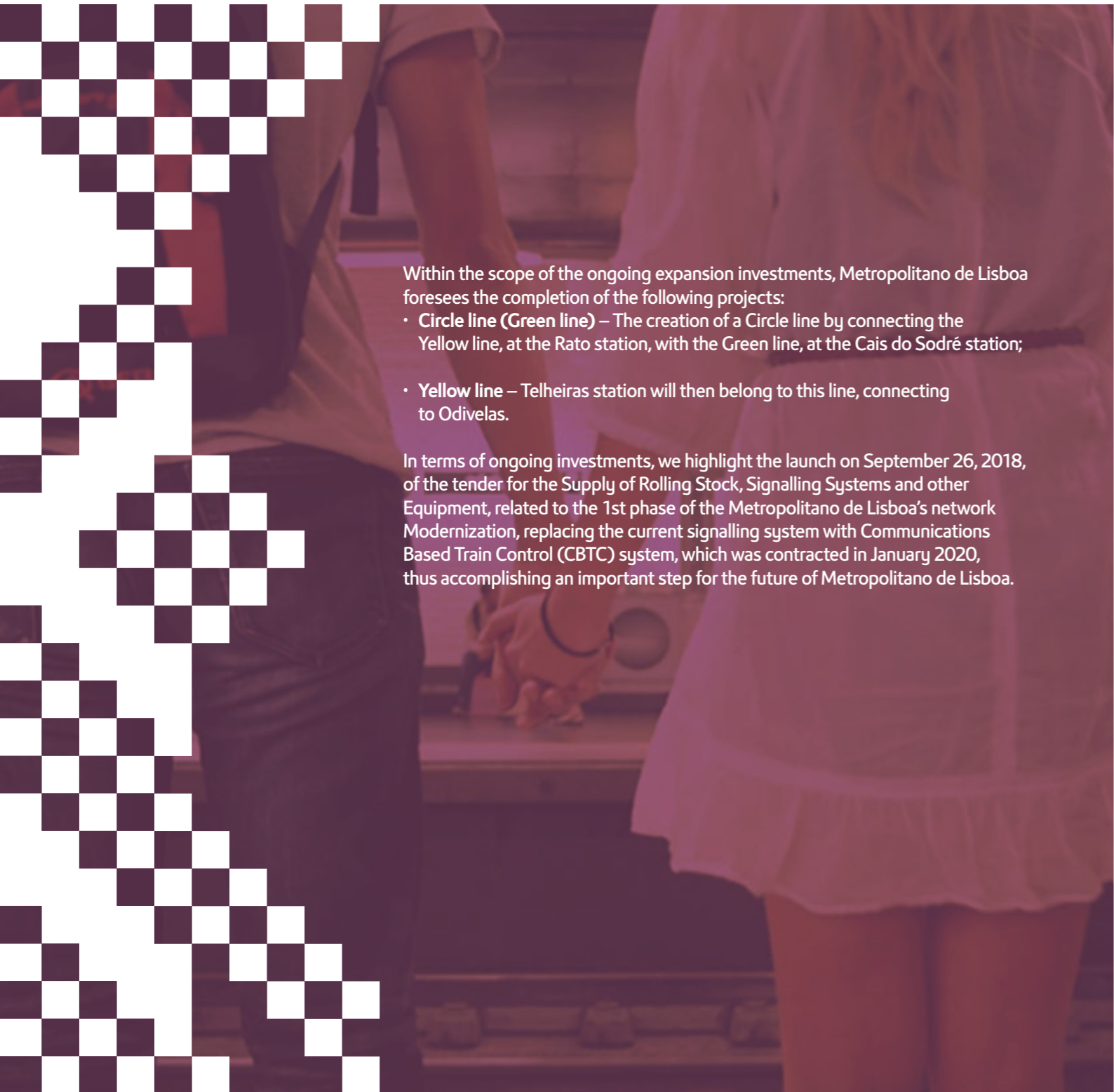


Blue line
Reboleira/Santa Apolónia
13.8 km
18 stations

Yellow line
Odivelas/Rato
11.1 km
13 stations

Green line
Telheiras/Cais do Sodré
9.0 km
13 stations

Red line
S. Sebastião/Aeroporto
10.6 km
12 stations

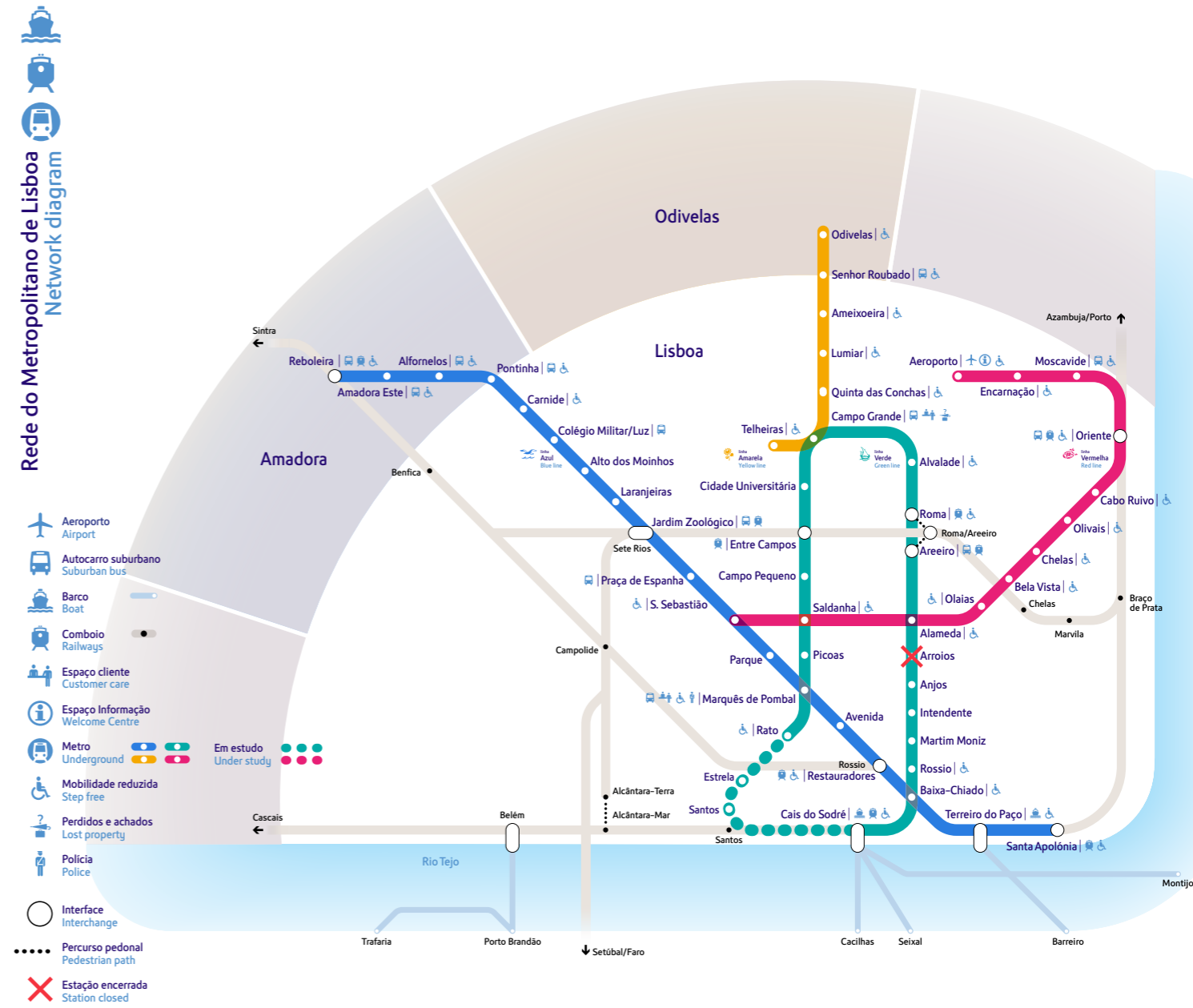


Within the scope of the ongoing expansion investments, Metropolitano de Lisboa foresees the completion of the following projects:

- **Circle line (Green line)** – The creation of a Circle line by connecting the Yellow line, at the Rato station, with the Green line, at the Cais do Sodré station;
- **Yellow line** – Telheiras station will then belong to this line, connecting to Odivelas.

In terms of ongoing investments, we highlight the launch on September 26, 2018, of the tender for the Supply of Rolling Stock, Signalling Systems and other Equipment, related to the 1st phase of the Metropolitano de Lisboa's network Modernization, replacing the current signalling system with Communications Based Train Control (CBTC) system, which was contracted in January 2020, thus accomplishing an important step for the future of Metropolitano de Lisboa.

future Metro network



general data 2019

4

network lines

111

triple units
(333 cars rolling stock fleet)

20.8 years

average age of fleet

44.5

km
network length

56

stations

740

fare gates

281

automatic ticket vending machines

67

semi-automatic ticket vending machines

102

lifts

244

escalators and travelators

38

Fully accessible stations

14.9 years

average age of lifts

17.1 years

average age of escalators

+ 9%

173

Million passengers
(ticket validations)

+ 2.3%

1504

employees

600,000

passengers per weekday

1

welcome Centre
• Aeroporto

2

customer care spaces
Campo Grande and Marquês de Pombal

2

depots and workshops
Calvanas and Pontinha

3

Navegante helpdesks
• Alameda
• Entre Campos
• Jardim Zoológico

future general data

Through the tender launched in September 2018, Metropolitano de Lisboa will also acquire 14 new triple units (sets of 3 cars) and refit the 70 existing triple units with the new signalling system (CBTC). The contract was signed in January 2020.

This ambitious project will replace a 40 years old system which is technically outdated, obsolete and discontinued, with a technologically updated system suited to the company's requirements and able to satisfy the current and future needs in terms of quality, reliability and safety of the service provided.

In terms of rolling stock, Metropolitano de Lisboa launched in March 2018 the procedure for the purchase and installation of an electric drive system for the doors of the ML90 rolling stock series and the complete overhaul of the door-opening system for the remaining series. Metropolitano de Lisboa proceeded to sign the contracts in February and July 2019, respectively.

346.7

M€
total investments

67.6

M€
rolling stock

210.2

M€
Rato/Cais do Sodré line extension

68.9

M€
new CBTC signalling system

finance capital

+ 0.4%
104.2
 M€ fare revenue

+107%
6.5
 M€ compensation for travel passes

-1.6%
9.4
 M€ non-fare revenue (without card sales)

+ 3.1%
120.1
 M€ turnover

+ 19.3%
716
 M€ financial benefits granted by the Government (550 M€ in capital injections)
 GRI 201-4

+3.1p.p.
105%
 operating expense coverage rate (adjusted)

+167%
6.15
 m€ EBITDA (adjusted) ¹

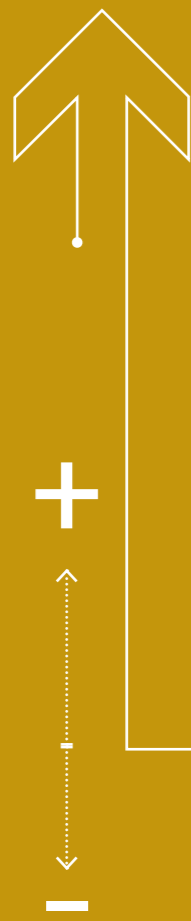
+3.1p.p.
5.12%
 EBITDA margin (adjusted) ¹

-14.3%
9.7
 M€ investment in infrastructure and services rendered
 GRI 203-1

+292%
47 days
 average payment period

¹ Adjusted EBITDA – Operating income excluding adjustments, impairments, fair value, accounting equity and specialisation of investment subsidies.

human and social capital



+4.9%

385

Women
(37% of leadership
positions held by women)

GRI 401-1

-36.8%

29 days

days lost due
to work accidents
(duration index)

GRI 403-2

+1.2 p.p.

98.4%

expenses with
local suppliers

GRI 204-1

-11%

26

complaints per
million passengers

+0.2 p.p.

98.7%

workers with open-ended
job contracts

-0.4%

47.7 years

average staff age
on December 31

+34.7%

136

work accidents

GRI 403-2

+0.2 p.p.

7.87%

absenteeism rate

GRI 403-2

intellectual and infrastructure capital

Innovation Award 2019 - SAP Portugal
Development of ticketing system cross data solutions with demand data



+ 38
step-free stations
(56 stations)

+ 69.1%
0.64
M€
interventions in Depot and Workshops
(Investment expense)

+ 4.0%
20.6 hours
average training hours per employee

100%
employees subject to performance and career development reviews

GRI 404-1

GRI 404-3

- 81%
28 hours
training in human rights policies or procedures

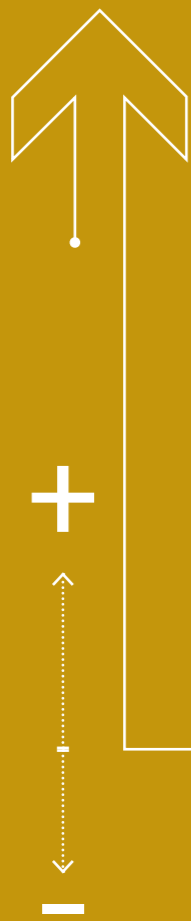
- 11.9%
1.4
M€
IT equipment, business support applications and implementation of the PLAGO system

- 27.3%
2.0
M€
new extension Rato/Cais do Sodré
(investment expenses)

GRI 412-2



environmental capital



+3.9%

8.78

Pkm/kWh
energy efficiency

GRI 302-3

-35.1%

30.6

gCO₂e/Pkm
GHG emission intensity

GRI 305-4

-13.4%

1.73

kWh/Ckm
traction power
consumption per car x km

- 30.8%

26,895

tCO₂e
indirect GHG emissions
from energy purchase

GRI 305-2

+2.9%

103

GWh
power consumption
inside the company

GRI 302-1

-11 p.p.

57.4%

waste disposal

GRI 306-2

-13.4%

90%

of power spent on:
. stations (42%)
. trains (48%)

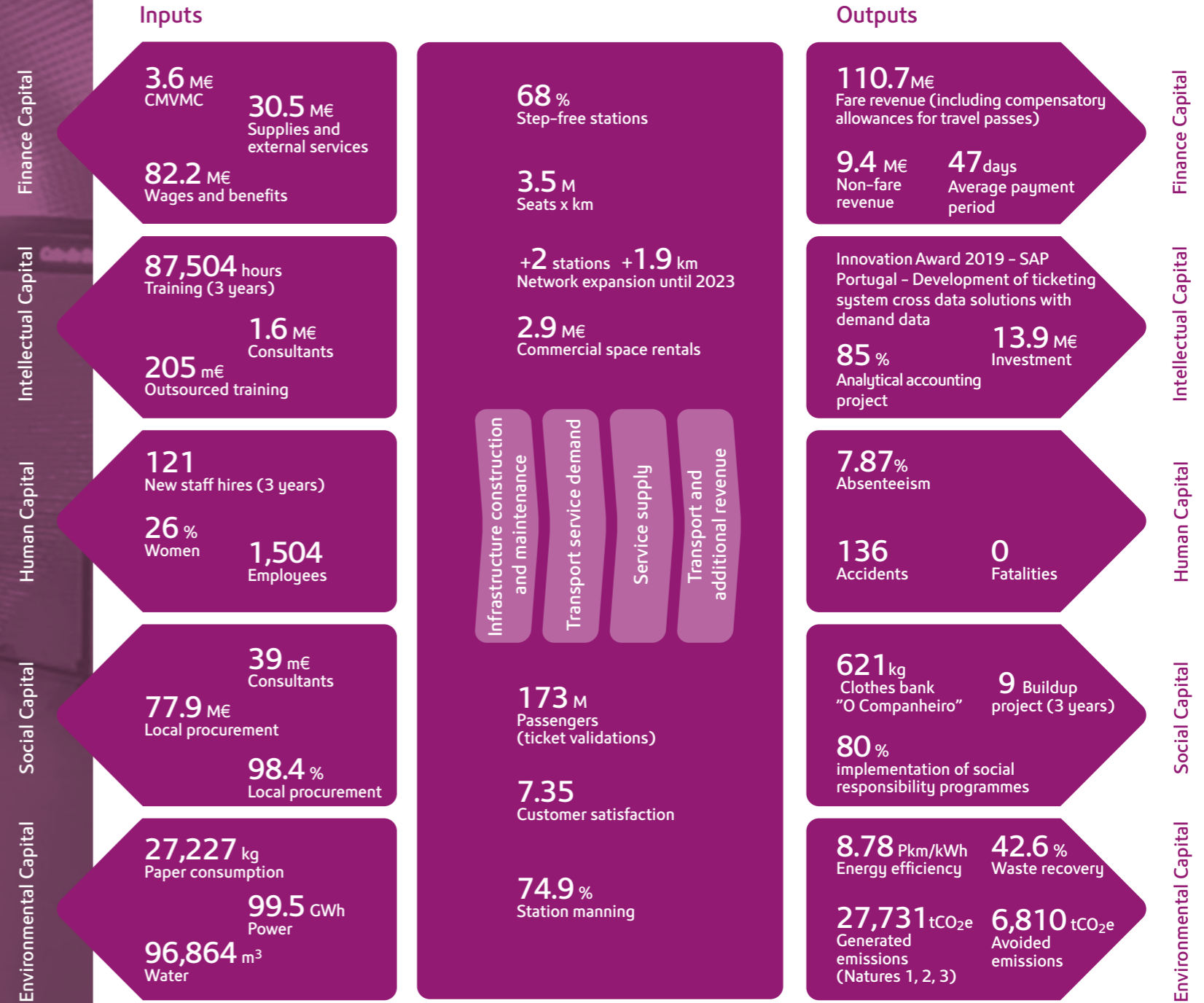
+12.8%

77,491

m³
waste water discharged by ML
(industrial nature)

GRI 306-1

value sourcing model



strategic goals

	Promote urban mobility through the use of public transport	<ul style="list-style-type: none"> • Increase in service supply, in particular with schedules and frequencies to meet demand; • Continuous improvement of the regularity and reliability of the service provided; • Research for and implementation of new solutions to meet further increases in demand.
	Improve customer service levels	<ul style="list-style-type: none"> • Implementation of new transport ticket payment systems to improve and simplify its use; • Improvement of accessibilities, increasing the number of step-free stations; • Improvement of station and train cleaning; • Improvement and innovation of customer information systems; • Increasing the supply and quality of the existing network shops.
	Expand and plan for the future, improve and renew the existing conditions	<ul style="list-style-type: none"> • Replacement of the current conventional signalling system by a Communications Based Train Control (CBTC) system and acquisition of new rolling stock; • Expansion of the network with the construction of a Circler Line in the centre of Lisbon, by extending the line between Rato and Cais do Sodré with two new stations; • Construction of a new Operations Control Centre as the result of the implementation in the signalling system; • To study, analyse, propose and seek approval for future expansions of the ML network; • Refurbishment and lengthening of the Arroios station platform; • Provide the Colégio Militar and Areeiro stations with full accessibility; • Scheduling full accessibility conditions for 11 more stations by 2024; • Renewal of the centralized video surveillance system, the technical facilities supervision system and revision of the doors of all existing Rolling Stock; • Alteration of the Central Ticketing System and renovation of sales equipment and fare gates.
	Promote environmental sustainability	<ul style="list-style-type: none"> • Generic replacement of traditional lighting systems by LED systems; • Improvement of energy efficiency through technological and behavioural changes in ventilation and HVAC systems; • Implementation of a photovoltaic plant in its facilities; • Reduction of paper consumption; • Elimination of the use of disposable plastic.
	Ensure the company's financial balance	<ul style="list-style-type: none"> • Signing of a new Public Service Concession Contract clarifying the situation of the ILD assets, asset management and ML's remuneration system; • Resolution of existing debt situations; • Capitalize non-operating assets, namely the current Depot and Workshop I; • Seeking to increase fare and non-fare revenue.
	Ensure the well-being and motivation of employees	<ul style="list-style-type: none"> • Skills enhancement, alignment and motivation through training and internal communication; • Staff reinforcement and beginning of ML's staff renewal; • Improvement of working conditions; • Implementation of the gender equality plan.

activities and projects developed



- Action plan for equality between women and men 2018-2021;
- Subscription to the “Declaration on Equal Opportunities for Women and Men in the Public Transport Sector (2018);
- Signing of the membership agreement, in 2018, to the “Business Forum for Gender Equality – our commitment” and its renewal, in 2019.



- Expansion of the metro network between Rato and Cais do Sodré (in progress);
- Installation of CBTC – Communications-Based Train Control system and acquisition of new 14 TU (tender launched in September/2018 and contracting in January/2020);
- Renewal/Revision of the rolling stock door systems of the ML90, ML95, ML97 and ML99 series (in progress);
- Refurbishment and expansion of Arroios station (in progress);
- Renovation and improvement of network accessibility conditions: Rehabilitation of Anjos and Intendente stations; Replacement of Rato station street lift; Replacement of two escalators in Baixa-Chiado station;
- Renewal of the Technical Facilities Supervision System (in progress);
- Acquisition and installation of equipment for CCTV (video surveillance system) (in progress);
- Creation of internal control systems: tool to support Hiring, Compliance, GDPR and updating the SAP computer base.



- Replacement of lighting at stations by LED technology (in progress);
- Energy savings plan for the Depot and Workshop III: Technology transition to more energy efficient lighting solutions (concluded);
- Projects “Reduction of 25% in paper consumption” (in progress) and “Elimination of the use of disposable plastic in ML’s Cafeterias and Bars” (concluded);
- Signature of the Business Mobility Pact for the city of Lisbon.



- Subscription to the Call to Action Response Letter – United Nations Anti-Corruption.

Credits

edition

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