


ANNUAL SUSTAINABILITY REPORT | 2010



carris 

Always thinking of you



DR. JOSÉ MANUEL SILVA RODRIGUES

MESSAGE FROM THE CHAIRMAN

The Sustainability Report presented here pinpoints and profiles the main actions which the Company put into practice during the year in the field of economic, environmental and social sustainability.

The commitments which the Company has taken on, both internally and externally, show the importance which the issue has for it. These cover, among other areas, increased efficiency, improved service quality, keeping customers loyal and attracting new ones, energy performance, environmental conservation, training and development of staff, recognition of merit and support for culture and sports.

There are, of course, other concerns- the organisation and how it functions, the quality of information, transparency, values - and these are present in the everyday life of the Company and of all those that work there, whatever their job.

We are aware that today, more than at any other time, companies have to show a high degree of responsibility and citizenship, manifest in a plethora of features that stakeholders value, as they assess the work undertaken from one day to the next.

The Company has developed and consolidated its work consistently in this field, in a way that has been widely recognised by many of its stakeholders. This is visible in the many awards it has won, as detailed in the Report itself.

Sustainability is therefore a permanent commitment. It is mirrored throughout the organisation, both in-house and in its relations with the world.

In the particular case of CARRIS, its very business as a mass urban transport operator provides a contribution that is relevant to making the city more sustainable, with a better quality of life, in an urban environment that is less polluted and congested. This work and its results are set out in the Report that follows.

Through its work, detailed here, the Company makes an even clearer engagement, bolstering its responsibility towards its shareholder, the State, and also towards its customers, staff and other organisations with which the Company interacts every day.

A close reading of this Report, and a comparison with those previously done, will clearly show how much progress the Company has made, year after year, with the dedication and commitment of all those who work for it.

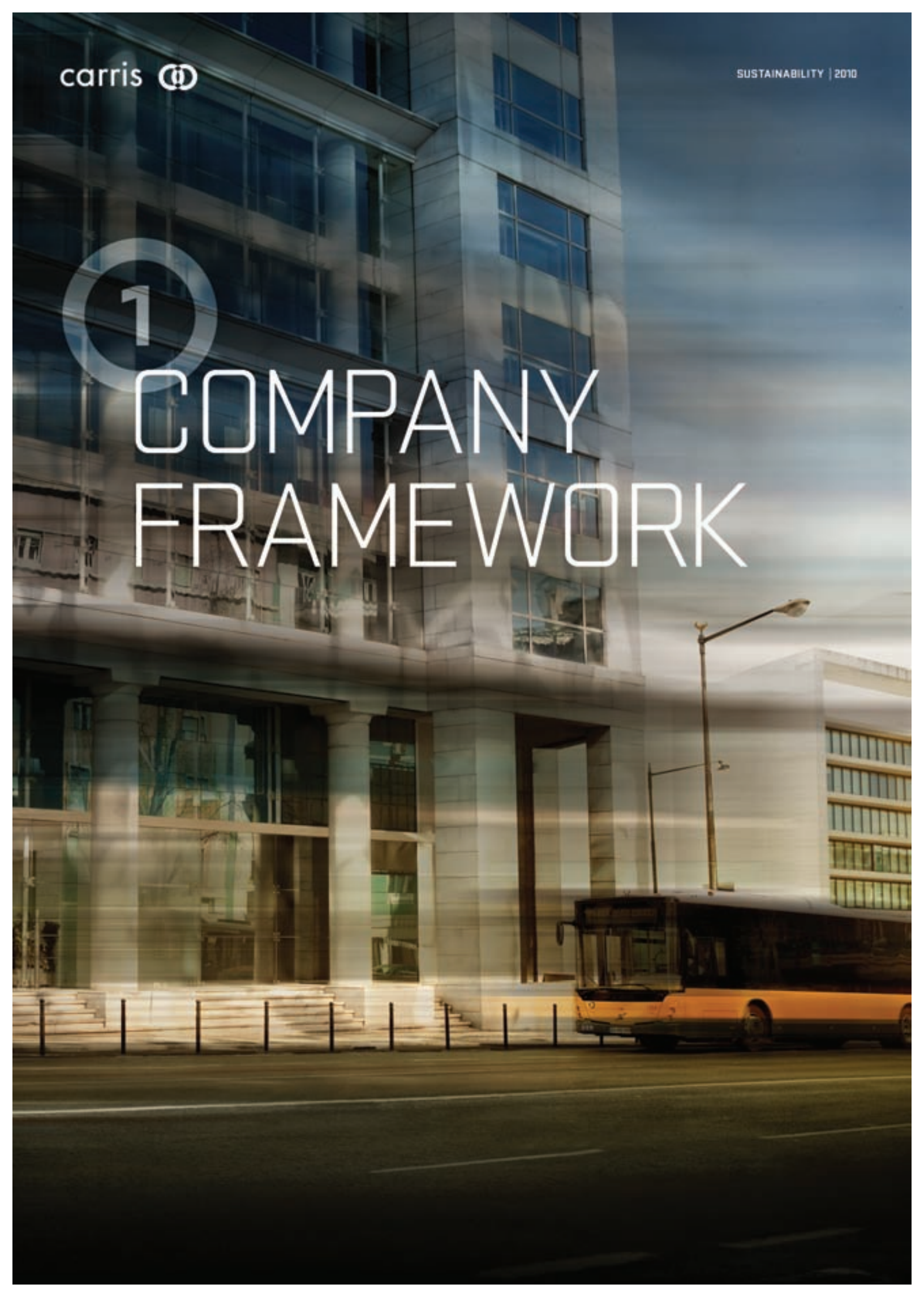
But this reading also shows how much there is still to do. For this reason, we are going to continue working so that the Company is also seen in this field as ever more a benchmark in its sector.

A handwritten signature in dark ink, appearing to read 'J. Manuel Silva Rodrigues', written over a light-colored background.

J. Manuel Silva Rodrigues
Chairman of the Board



COMPANY FRAMEWORK





COMPANY FRAMEWORK

1.1. HISTORY

1872

On 18 September, the Companhia Carris de Ferro de Lisboa is founded in Rio de Janeiro. Its purpose is to provide the capital of Portugal with a transport system known as American-style (carriages running on rails and pulled by animals).

1873

On 23 January, the writer Luciano Cordeiro de Sousa and his brother are given the rights to set up a transport system in Lisbon, based on carriages running on rails and pulled by animals.

On 14 February, the Lisbon City Council authorises the concession to be leased to the Companhia Carris de Ferro de Lisboa.

On 17 November, the first "American" line is officially opened.

1876

On 31 May CARRIS becomes one hundred percent Portuguese and legally sets up as a Sociedade Anónima (public limited company).

1897

On 5 June, a contract is signed between the Lisbon City Council and CARRIS, the aim being to replace the animals by electric traction. On 27 July, Wernher, Beit & Co. cedes all the rights and obligations in the contract to Lisbon Electric Tramways Limited (L.E.T.L.). The two companies agree that the governing bodies of CARRIS will continue to manage the operations of the lines on behalf of the L.E.T.L.

1901

On 31 August, the electric tram service is officially opened.

1912

CARRIS starts a transport system with a fleet of 5 buses. On 14 November, the first route is officially opened, and runs between Sete Rios and Carnide until its closure in 1915.

1944

On 9 April, the bus service is officially opened, using vehicles acquired in 1940 for the Portuguese Universal Exhibition.

1973

On 21 December, the rental agreement with L.E.T.L. is rescinded (Decree Law. 688/73). Simultaneously, a contract is signed with the Lisbon City Council renewing the concession for a period of 50 years, covering buses, trams and lifts.

1975

A major fleet renovation takes place, with 200 "standard" new generation buses acquired. They are equipped with automatic gearbox, power steering and fully pneumatic suspension.

1991

On July, the first articulated buses come into service as part of a fleet modernisation process.

1995

Ten articulated trams come into service in the first three months. They are new generation vehicles, the first of their kind to be used by the company. An overhaul of 45 historic trams is begun.

1996

The image of the company is up-dated, and this takes various forms, among them the adoption of yellow as the main colour for the bodywork of all company vehicles.

2000

The Real Time Operating and Information System for Passengers (SAEIP) is launched.

In May, the first on-board video surveillance systems are installed.

2001

The first buses powered by natural gas come into service (as an alternative to diesel), reflecting the company's concern with improving environmental quality and with diversification of the company's energy supplies.

2003

A start is made on a complete overhaul and modernization of the company. One of the highlights is the renovation of more than half the bus fleet. The process is due to take three years from 2004, with 408 new Euro 3 vehicles acquired (40 Minis and 368 Standard, 20 of these powered by natural gas).

A start is also made on contact-free ticketing.

2004

The contact-free ticketing system becomes fully operative, with new electronic equipment backing up the system and two new cards, the "Lisboa Viva" and the "7 Colinas".

2005

Start on the process of bus maintenance outsourcing.

2006

On 18 January, the CARRIS quality management system is officially certified. It is in line with norm NP EN ISO 9001:2000, approved by APCER - Associação Portuguesa da Certificação (Portuguese Association for Certification).

A start is also made on certifying specific services and by 22 February the company has already obtained certification of the first four routes (15E, 56, 60, and 83). The award is made by CERTIF - Associação para a Certificação de Produtos, in line with norm NP EN 13816:2003 and with their own technical specifications.

On 9 September the first phase of the "Rede 7" (Network 7) is launched. This represents a total reorganisation of the network to ensure fewer overlaps, better connections to the underground, and more frequent

On 20 October the UITP commitment pledge on sustainable development is signed in Bilbao, with the company becoming a "Pledge Charter Signatory".

2007

In February the company signs the European Charter of Road Safety. Continuation of the process of certification, with another 18 routes certified on 31 May.

In a contest arranged by the magazine Exame and Heidrick & Struggles, the company is considered the 27th best company to work for in Portugal.

On 18 September the UITP charter is signed with the company as "Full Charter Signatory".

The process of bus maintenance outsourcing is completed at the end of the year.

2008

The second phase of the "Rede 7" (Network 7) is launched.

In the contest arranged by the magazine Exame and Heidrick & Struggles, the company is considered the 31st best company to work for in Portugal.

The company reaches 8th place in the climate responsibility ranking on the ACGE Index, set up by EURONATURA.

In April, its environmental management system is certified to Norm-NP EN ISO 14001:2004.

In a study of "The State of the Art in Sustainability Practices" organised by Heidrick & Struggles and the weekly newspaper Expresso, in partnership with the BES bank, the company reaches 89.3% on the Sustainability Barometer, well above the national average.

In June, as part of the European Mobility Fair in Paris, there is a contest to find the best bus driver in Europe called the Bus d'Or contest. A CARRIS driver was awarded 2nd place.

The fleet renovation process moves another stage, with a further 40 buses (20 Medium-sized - Euro 4, and 20 articulated - Euro 5) coming into service.

A start is made on repositioning the company brand through a multi-sensorial marketing campaign, a world first in public transport.

2009

Sustainable Development Award - CARRIS was considered to be the best public enterprise/institute.

CARRIS was ranked 1st in the "ACGE Sectorial Index 2009" in the transport sector.

Continuation of the process of fleet renewal, with purchase of a further 60 standard buses (40 powered by Diesel Euro 5 and 20 by natural gas EEV).

Certification of the transport fleet reaches 52 routes (more than 50%). The Company reaches 21st position in the ranking of "Best Companies to work for" in the category of large enterprises and was the best in the State's business sector.

2010

A further 30 articulated buses are purchased, to Euro 5 standard, equipped for wifi.

The third stage of "REDE 7" is launched.

Another 12 lines/routes are certified in August, the total now coming to 64 (more than 65% of the total).

The Company is ranked 36 in the list of best companies to work for in the large enterprises category (with a 74.78% level of commitment), and it was considered the best in the State's business sector.

In September, the Company is awarded a certificate for its safety and health at work management system, in accordance with the standards set down in NP 4397/OHSAS 18001.


The multimedia campaign "As we travel, we are thinking of you" aims to reposition the CARRIS brand for existing and potential customers.

1.2 VISION, MISSION AND STRATEGY

Throughout its existence, the company has always accepted its responsibility in the field of urban mobility and accessibility, playing a decisive part in the sustainable development of Lisbon and its metropolitan region.

To this end, it has focused on reducing operating costs, maximising available resources, providing safety on its operations, paying due care to energy and environmental factors, looking to on-going improvements in its transport service, aiming to be ever more innovative and sustainable and to represent a benchmark for good practices in the transport sector.

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The Company is aware that it has to foster the use of mass transport and for this it has responded to the demands for mobility by having bus, tram and funicular routes and a lift available for service. During the year, the company carried around 240.6 million passengers.

Commitments to its customers

This involves:

- Developing the network so that there is a bus stop at an acceptable distance from any point in the city;
- Defining the schedules to match demand, taking swift action when corrective measures are seen to be needed;
- Making clear and correct information available;
- Undertaking actions that ensure the safety of passengers;
- Adopting measures that ensure the regularity of services, working closely with the bodies that manage public roadways;
- Developing the sales network and ensuring the best ways for people to acquire tickets;
- Keeping all vehicles clean and well-repaired;
- Ensuring the quality of the company's human resources;

- Complying with legal requirements in relation to exhaust emissions, contributing to environment protection;
- Assessing customer satisfaction through specific periodic enquiries;
- Analysing complaints and suggestions from customers as a source of information for on-going improvements to the service.

Principles underpinning structure and values

The principles underpinning the company's mission are sustainable development, and the values and commitments of the United Nations Global Compact, which cover:

- Respect for and protection of human rights;
- Respect for the rights of its employees;
- Eradication of all forms of exploitation (forced labour and child labour);
- Eradication of all forms of discrimination;
- Responsibility in the defence and protection of the environment;
- Active opposition to all forms of corruption.

Its structural values are:

- Integrity;
- Rigour;
- Credibility;
- Responsibility;
- The search for excellence.

Both its principles and structural values are set out in the company's Code of Conduct.

BOARD OF DIRECTORS •

Advisory panels •

Directores Gerais Assessores
Directores Assessores
Assessores

Clinical services •

Commercial operations •

Fares and the market
Sales

Financial Department •

Accounting services
Financial operations and treasury

Logistics Department •

Support
Supplies
Upkeep of premises
Information Technology

Human Resources and Human Capital Department •

Management of human capital
Labour relations
Management of human resources

Office for Strategic Planning •

Office for Legal Support and Litigation •

Office for Innovation and Development •

Office for Planning and Management Control •

Office for International Relations •

Office for Image and Communication •

1.3. COMPANY STRUCTURE

The company **organigram** is set out below, and the details of each post can be found in the **Organisational Handbook**.

• Customer ombudsman

• Secretariat

Technical support and archives
Museum
Public Relations

• Operational control and network planning unit

Traffic control
Inspections
Operational planning

• Transport coordination unit

Engineering and maintenance management

• Business Operations Unit (buses)

Miraflores Depot
Musgueira Depot
Pontinha Depot

• Business Operations Unit (trams)

Santo Amaro Depot
Maintenance

• Office for Auditing, Quality and Safety

Auditing
Norms and certification

• Office for Organisational Development

1.4. STRUCTURE OF THE NETWORK

Buses

The public service bus fleet is made up of 752 vehicles. There are 77 regular daytime routes (59 urban and 18 sub-urban), 9 early morning services "Rede da Madrugada" (5 urban and 4 sub-urban) and 1 special route (operating on Friday and Saturday nights and the nights before public holidays, called Night Bus). The network is made up of 87 routes and covers 678 kms, with 73.8kms in lanes restricted to public transport (BUS lanes).

At the end of 2010, the 752 buses were of the following models:

- 606 Standard, 57 of which are powered by natural gas (73 to 87 places);
- 36 Mini (27 places);

- 20 Medium-sized (58 places)

- 90 Articulated (155 places).

The main difference when compared with 2009 is the purchase of 30 new articulated buses, with the same number from the old fleet written off.

The company carried 220.6 million passengers on its bus fleet (746.4 million passengers x km), with a load factor of 21.1 % (20.8% the previous year). This represents an overall stable demand year on year.

Trams

The tram network is made up of 5 regular daily routes. There are 57 trams, 10 articulated and 47 standard. Among these, there are 39 historical styles. The tram network covers the centre of the city, running over 48 kms, 15 of which are on dedicated stretches of roadway.

During the year, 17.4 million passengers were carried (48.2 million passengers x km) with a load factor of 25.1%. Demand was up ≈ 4%.

Funiculars and lift

The company also has three funiculars (Glória, Bica and Lavra) and one lift (Santa Justa). These carried 2.6 million passengers (overall, therefore, the electric-driven service carried 20 million passengers during the year).

Service for the handicapped

There are 3 minibuses for this special service, which has been in the company's hands since February 1982.

The service is for those who have difficulty getting around and cannot use the standard bus fleet. They require specially adapted vehicles and on some services an extra crew member is provided. It is a door-to-door service which is part of the company network within the Lisbon metropolitan region, priority going to regular trips between home and work or school, health services or recreation.

During the year, 125,168km were covered, and 14,058 passengers used the service.

1.5. THE RELATIONSHIP WITH STAKEHOLDERS

In recent years, the company has embarked on an internal process which has led to a clearer identification and knowledge of its stakeholders. The aim is to create a relationship that is more transparent and reliable, with mutual benefits to performance on both sides.

<p>PASSENGERS</p> <ul style="list-style-type: none"> - Regular - Occasional <p>LOCAL COMMUNITY</p> <ul style="list-style-type: none"> - Residents' Associations - Schools - Citizens' Groups - Associations for the young and senior citizens - Religious Associations - Tourist Groups - Pedestrians <p>STAFF</p> <ul style="list-style-type: none"> - Crew - Management - Specialists - Administrative - Maintenance <p>MEDIA</p> <ul style="list-style-type: none"> - Local - Radio - TV - Free distribution 	<p>SUPPLIERS - GOODS AND SERVICES</p> <ul style="list-style-type: none"> - Provision of services - Equipment manufacturers - Business support - Raw materials, energy - Vehicle Maintenance - Banks <p>NGOs</p> <ul style="list-style-type: none"> - Business Associations for Sustainable - Development and Innovation - Consumer Associations - Environmental Groups - Trade Unions <p>OTHERS</p> <ul style="list-style-type: none"> - Local transport operators, the policy being to see them as doing a similar job, not as competitors. There are three main groups: <ul style="list-style-type: none"> • Road • Rail • River/Sea 	<p>INSTITUTIONS AND OTHER BODIES</p> <ul style="list-style-type: none"> - Ministry of Home Affairs - Ministry of the Environment, Land Planning and Regional Development - Ministry of Finance and Public Administration - Ministry of Public Works, Transport and Communication - Town and City Councils - General Directorate of Land Transport - Metropolitan Transport Authority - Portuguese Highways - National Rail Transport Institute - Portuguese Police Force, National Guard - Fire Service - National Association of Heavy Vehicles for Passenger Transport
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Relations between the Company and its Stakeholders

“Stakeholders”	Values
Customers	Efficiency, quality, ease of access, conditions for supply of services, safety, comfort, lowest possible need for switching to other forms of transport.
Local communities	Improvements to service, road works, changes to service.
Staff	Company strategy, training, working conditions and instructions.
Media	Special institutional information and customer services.
Suppliers	Specialist information, terms and conditions, charges, specifications.
Institutional bodies	Intermodal approaches, efficiency, goals attained.
NGOs	Care for the disabled, special needs, improvements to service, sustainability and innovation.
Others (Transport operators)	Intermodal approaches.

2

SUSTAINABILITY FRAMEWORK





SUSTAINABILITY FRAMEWORK

Sustainability is a concept and a philosophy but it is also for the Company an operating model that has become ever more a constant in its culture.

2.1. KEY POLICIES AND INITIATIVES FOR SUSTAINABLE DEVELOPMENT

Quality is a daily challenge. It is seen as the point of departure to satisfy the demands of customers and for social well being. With this in mind, the Company has defined the following principles for its policies on quality, the environment and safety:

- To make a contribution towards improving the transport system in the Greater Lisbon Metropolitan Region, ensuring that customers have the mobility that they need and expect;
- To increase the effectiveness and efficiency of the public transport service by matching supply to demand and by rationalising its resources and methods;
- To comply permanently with the requirements and commitments set out in the Customer Charter, ensuring that they come to trust the service and use it in preference to other forms of transport;
- To ensure a steady rise in the level of customer satisfaction, using periodical surveys to measure progress;
- To improve unremittingly the quality of service offered based on permanent matching of supply to demand, in terms of regularity, reliability, comfort and safety, preventing pollution through investment that gives special consideration to new technologies, through the renovation and modernisation of the fleet and through training of human resources. To this end, it has set out performance goals and support for suppliers and customers in carrying out coherent policies based on these principles;

- To cut back steadily on the consumption of natural resources and energy, to handle waste materials in such a way as to reduce impact on the planet and thus play a part in preserving the environment;
- To stimulate innovation At all levels of the organisation, aware that this has a strategic role in the reinforcement of competitiveness and business standing; and to this end the Company set up a special committee, to galvanise innovation throughout the Company and its business combinations;
- To foster a safe and healthy working environment for its staff and those who provide services for it.

Charter of Commitment to Sustainable Development

In September 2007, the Company signed this contract with the UITP - Union International de Transports Publics as "Full Charter Signatory". CARRIS is now publicly committed to the principles of sustainable development, and it takes responsibility for actions that spur the development of good sustainability practices in public transport and for making regular reports on these actions, with due regard for the various aspects of sustainability.

Membership of the Business Council for Sustainable Development - since the first quarter of 2007.

Membership of COTEC - Associação Empresarial para a Inovação (Business Association for Innovation - on 31 May 2010.

2.2. THE YEAR IN REVIEW

Below are the most relevant actions in this field undertaken by the company during the year.

• Fleet renovation

- The Company continued with the process of fleet renovation, and took delivery of 30 new articulated buses. This meant that an equal number of buses of the same type, having reached the end of their useful life, could be written off.
- The new vehicles all comply fully with the Community Directive on exhaust emissions - Limit Euro 5.
- This investment, coming to around 92 million euros for the 538 buses acquired since 2004 (≈ 70% of the fleet) was predicated on the following aims:
 - To diversify the types of buses available, providing a better match with demand;
 - To reduce the average age of the fleet, which has dropped from 16.5 years in 2003 to 6.7 years at present,
 - To improve operating standards and cut maintenance costs;
 - To provide the company with technologically more advanced vehicles, above all in terms of comfort and safety of passengers;
 - To improve efficiency and make a significant reduction on environmental impact - pollutant emissions and carbon dioxide (CO₂) and the noise level.

• Maintenance

- In terms of the various levels of maintenance, CarrisBus holds the contract for two-thirds of the fleet.

In the Miraflores and Pontinha depots, Hydraplan (MAN dealer) is responsible for servicing 248 Standard size MAN buses (148 MAN 18.310 HOCL and 100 MAN 18.280 HOCL).
- From 1 November 2010, maintenance of the tram fleet was fully guaranteed through outsourcing to CarrisBus, and this meant that the whole fleet was now maintained outside the Company.

• Adjustments to the network

- During the year, the adjustment of supply to demand was made through a dynamic process based on permanent monitoring of the service. As part of this, the third phase of "REDE 7" was slotted into place (this phase was contingent on the extension of the underground, the red line, to the station of S. Sebastião):
 - Route 713: this now runs between Arco Cego and Estação de Campolide;
 - Route 716 (formerly the 16): this then ran between Benfica and S. Sebastião and was later extended to Arco Cego;
 - Route 718: this now runs between ISEL and Alameda D. Afonso Henriques;
 - Route 49: this then ran between ISEL and Entrecampos, and was later extended to Estação de Entrecampos;

- Route 796 (formerly the 106): the route was changed in the Galinheiras area, and now comes via Rua Maluda;
- Route 740 (formerly the 40): this now runs between Cais do Sodré and Praça de Londres;
- Route 760 (formerly the 60): at the weekend, this now finishes in the Praça de Londres;
- Route 778 (formerly the 78): the route changed in the Alto da Faia area, and is now via Rua Frederico George and Rua Daniel Santa Rita;
- in addition, the numbers of other routes were changed and now are now the 703, 705, 717, 724, 735, 737, 747, 748, 752, 753, 756, 764, 794 and 797.

Mention must also be made here to other changes, among them the reorganisation of the roads around the Portas de Benfica area and access to the inner ring road (CRIL). This meant changes to routes, bus stops and termini for lines going through here. Route 71 also had to be taken out, its service covered by route 702 (extended for some of its journeys to the Largo da Igreja).

• Improvements to road conditions

- During the year, the Company continued to check on bus lanes and unlawful parking at bus stops. This work continued to be carried out by teams made up of a member of the Company staff and a municipal police officer, in duly identified cars.

The purpose is more than just to levy fines; it is to get people to understand that civic behaviour and good conduct must be the norm and BUS lanes must be respected, along with the rules for parking, especially at bus and tram stops. During the year, 7,555 infringements were recorded, along with 2,285 warnings, 322 requests for vehicles to be towed away and 11 requests for clamping.

- There was also continuing close collaboration between the company and the Lisbon City Hall, with the aim of improving conditions for the buses and trams by creating more bus lanes, by painting lines on the road (M12 and M14) and by putting in bollards to cut down disorderly parking.
- In September, a lane was put in along the Rua António Albino Machado, with priority at the traffic lights. At the same time the occasional lane at the Alameda da Universidade was also put back in.

In the Rua da Conceição, the lane was taken out of use because of the changes to traffic at various points in downtown Lisbon (the Baixa).

- In spite of these measures, traffic flow worsened and there was an increase in the number of kilometres lost through traffic hold-ups, above all on the tram lines, where the rise was 40%. On the bus routes, the figure was the same as a year earlier.

• The Integrated System of Quality, Safety and the Environment (Sistema de Gestão Integrado da Qualidade, Ambiente e Segurança)

There was an integrated audit undertaken by APCER in April, covering the Management System for Quality and the Environment. As a result, the certificates obtained by the company (in January 2006 and April 2008) were revalidated.

In September, the Company was awarded a certificate for its Safety and Health at Work Management System, following the norms set out in NP 4397 / OHSAS 18001.

Earlier in the year, in February 2010, the company laid down the general principles relating to its Quality, Environment and Safety Policy. These are based on the related handbook (7th Edition, 2 September 2009).

The certification process was a major strategic decision, playing a part across a range of areas, and in the improvements to procedures and projects which have been carried out, through a process of on-going increases in efficiency inherent in the Quality, Environment and Safety Policy. It has also helped in the definition of a platform of good practices.

Among other benefits, the improvement to in-house organisation should be highlighted, with minimisation of environmental impact, and greater effectiveness in procedures and the allocation of resources. This has all played a part in the cuts in costs/better operating results, the improvement in the quality of service provided and the image of the Company. This has impacted positively on the gradual rise in demand and customer satisfaction.

• The transport service - Certification of new lines / routes

CARRIS was the first company in the State public transport sector to be awarded certification for its lines/routes February 2000 and it now has 64 routes certified (more than 65% of the public service fleet). In the year under review, it started the certification process for another 7 lines/routes (6 buses and 1 tram), due to be completed in 2011.

The certification of its services is a witness to the Company's commitment to on-going improvements in quality and its contribution for the clear statement that public transport is a key element in sustainable mobility in the Lisbon metropolitan region.

The certification of its services has played a decisive part in the consolidation and modernization of the Company, as well as bolstering its role as an active player in the field of sustainable mobility in the Lisbon metropolitan region.

The Company aims to continue with its strategy to improve the quality of service provided and increase the efficiency in resources used. It is looking to create the conditions for a transfer from individual to public transport and in this way play a part in creating a less congested city with a better quality of life.

• Presentation of new buses

The Secretary of State for Transport was present at the presentation of 30 more new articulated buses, held in the Gare do Oriente as part of the commemorations to mark Mobility Week. A new service was also presented to the general public at this event - CARRIS NET BUS.

• Promotion of the company's services

LAUNCH OF MULTIMEDIA CAMPAIGN

The main focus for communication during the year under review was the multimedia campaign, aimed at repositioning the CARRIS brand in the eyes of existing and potential customers.

The campaign was geared to transmitting the essential features of the brand, and reflected the company's innovations and concerns with regard to its customers.



CAMPAIGNS IN PARKING LOTS

The strategic focus on new channels of communication was one of the main features of the year. It served to differentiate the company from other brands through the novelty and



relevance of its action. One of the highlights was promotion of the concept "Thinking of you as we travel", carried out in six parking lots across the city of Lisboa.

ANNUAL PASSES



One of the company's aims is to encourage the use of public transport, and with this in mind the 1st of July saw the launch of the annual CARRIS bus pass,

which allows passengers to travel the full twelve months for at a cost which is the equivalent of ten months.

During the July to December period, 182 cards under the heading "Pay 10, get 12 months" were sold. Gross receipts were over 45,000 euros.

NET BUS SERVICE



Following the set up of a partnership with TMN (a mobile phone operator), the CARRIS NET BUS scheme was started on 22 September. This is a pilot study which will provide free internet service, from computer or mobile phone. It is available in 30 articulated buses on the 36 and 745 routes.

Between 4 October and 7 December, there were close to 19,000 connections made.

THE GREEN-SWIPE CAMPAIGN



December was marked by the launch of a new anti-fraud campaign to encourage swiping.

On top of the standard means of communication used for this, a leaflet was created and distributed among drivers and traffic officials. It focused on the best way to encourage passengers to swipe their tickets. The company also used humour as a way to urge passengers to take a responsible civic and social stance on the issue.

THIRD PHASE OF THE NETWORK 7 PROJECT



The company carried out a campaign aimed at informing customers about the changes that were being made, what the main impact would be and what the existing alternatives were.

THE 780 ROUTE CAMPAIGN - CHANGES TO THE ROUTE



This campaign aimed at keeping regular passengers informed and bringing in new customers through information on the changes that were being introduced.

Among the actions taken were distribution of written information and signage on the busstops that were going to be affected.

IMPROVEMENT TO THE 49 AND 716 ROUTE INTERFACE



Passengers were given the chance to study this improvement on fliers provided inside the buses.

PROMOTING THE BIKE BUS SERVICE



The company continued with its promotion of the BIKE BUS service, introducing a new type of map dedicated exclusively to the routes on which the service was available, and indicating the main cycle paths in the city.

RENEWAL OF THE 4_18 and SUB 23 PASSES



There was a campaign specifying the procedures and the timing for renewal of these passes, in association with other operators. Information was available on board, on the company site and throughout the sales network.

THE ADVANTAGES OF THE LISBOA VIVA CARD

The company has made major efforts to bring the many advantages of this card to the attention of its customers.

• Ensuring that information about the CARRIS network is accessible

The company is aware that passengers must be kept permanently informed and has worked on an adaptation of its information and its services so as to make them more accessible and better structured for the general public.

GUIDE TO ROUTES CATERING FOR PASSENGERS WITH MOBILITY PROBLEMS



The company has created CDs with audio description of the routes and interfaces, structured for passengers with mobility

problems. The audio descriptions of these routes are also available of the company's site.

"BRAILLE" AT THE BUS AND TRAM STOPS



During the year, there was another measure taken, with the inclusion of a plaque at each stop in Braille for those with sight deficiencies. This gave the sms code for each stop so that the times before the next vehicles could be checked and recorded on mobile phones through the company's real time sms system.

• Focus on improving customer information - Actions

NEW MEANS OF COMMUNICATION - PAMPHLET BOARD ON THE BUS FLEET



These are acrylic boards attached or near to the exit doors of vehicles. They are made up of three separate forms of communication: a poster visible from inside and outside the bus and two spaces for fliers.

CHARTS ON BUS WINDOWS

This information, placed on the bus windows, shows the company services throughout the city of Lisboa. Passengers can therefore check on details during the journey to clear up doubts, find out about points where they can change buses using one or more other routes or get to know other interfaces available at each point.

THE CREATION OF CARRIS ON THE LINE



This idea of providing information through CARRIS ON THE LINE stemmed from the need to clarify the various forms of contact available between the company and its passengers.

The aim is to bring together all the existing services, bearing in mind the classification in use: ON THE LINE WITH YOU (personalised services) and ON LINE-ON-THE SPOT (information services in real time).

ON THE LINE WITH YOU

- Customer service - In the Mob shops (Santo Amaro and Arco do Cego)
- Open line - General information service via e-mail
- Customer ombudsman - In Miraflores

ON LINE ON-THE-SPOT

Real time information on panels - there are 350 bus/tram stops where SAEIP panels have been placed, allowing passengers to see how many minutes it is before their bus or tram arrives.

SMS on-the-spot - This is a special sms service where the would-be passenger can send a message (containing the bus or tram stop code and the number of the bus or tram) and receive a mobile phone message with the time when the next bus or tram arrives.

E-mail on-the-spot - This is a new service provided by the company, where the customer receives e-mail with the same information as the on-the-spot sms service. An e-mail must be sent to CARRIS at sms@carris.pt (following the rules set out on the company's site).

www.carris.pt - This is the company site, where the customer can at any time get information about the service, find out the bus/tram codes and access directly the e- on-the-spot mail service.

• **Corporate approach**

COMPANY KIT



With the creation of the annual pass "Twelve months for the price of ten", a kit was put together specifically for companies.

Over and above this, specific communication tools were created for this segment, among

them: information available for corporate television, pictures for e-mails, specific pamphlets and so on.

• **Increased presence on the web**

LAUNCH OF A CARRIS PAGE ON FACEBOOK

The company launched a page on Facebook (following the CARRIS channel on Youtube, as a way of bolstering its on-line brand image and creating a closer relationship with customers.



LAUNCH OF THE CARRIS NEWSLETTER



The CARRIS Newsletter was started in February 2010, and is published every two months. It brings together information on the most interesting company activities in the two-month period.

This is a strategic focus on a new communication channel for customers, keeping them informed of all the initiatives and the main highlights of company activities.

The Newsletter can be accessed on the company site (visually after sending a message to the mailing-list of the site) and on paper in CARRIS mob shops. It is also available on the information board which can be found on fleet vehicles.

"SITE" CARRIS



There were several changes to the company's corporate site during the year,

the aim being to improve its functionality and to respond to new communication needs. Among these were:

- A change to the search engine for routes, incorporating new criteria for searches so as to make it easier to get to the right route;
- Creation of an area called "Good practices", aiming to disseminate the main rules for good behaviour on the company's trams and buses;
- Creation of an area called "How to swipe your ticket" with the main rules for making sure the ticket is valid;
- Creation of a space for pastimes, containing a number of activities that can increase the attractiveness and boost the dynamics of the company/customer relationship.

From September, the contents of the company site (www.carris.pt) were made more accessible to those with special needs (those with eyesight problems and senior citizens). The structure of the site was very carefully put together, allowing for maximum benefit to be derived from technologies available to allow the screen to be "read" through hearing the contents and bringing them together.

• **In-house campaigns**

MAY - HEALTH MONTH

This initiative came from the company sports group and was supported by the Portuguese Cycling Federation (Federação Portuguesa de Cicloturismo e dos Utilizadores de Bicicleta) and Portuguese Heart Foundation (Fundação Portuguesa de Cardiologista). "May - Health Month" targeted all those who work for the company, and aimed at raising awareness of the need to practice a sport and adopt a more healthy way of life. The activity involved a weekly bike ride inside company premises at the end of the afternoon.



Over and above this, there were baskets of apples provided free on company premises during the month.

CARRIS IN THE CLEAN UP CAMPAIGN "LIMPAR PORTUGAL"



The "Limpar Portugal" campaign took place on 20 March, and the company was involved on two levels: it provided publicity for the event through posters on its public service fleet; and there was a 50-strong company team that took an active part in the operation.

MOB TV



There were improvements and new features on the company's corporate television during the year:

A new section - curious facts about CARRIS; new forms of entertainment and

new tabs for sections; and new pastimes. Mob tv was also extended, taking in the premises of CARRISTUR and the despatch area at Cabo Ruivo. There are now 14 television screens at various points on company premises.

THE BOOK FAIR



"Andamos a ler, andamos a pensar" (Reading and thinking on the move) was the motto adopted by the company to encourage reading among its staff. As part of the celebrations of the 138th anniversary of the company, it put on the first book fair, with stands at the depots and complexes for staff to buy books with discounts ranging from 35 to 50%. This was followed by a second fair in December.

• **Institutional campaigns**

VALENTINE'S DAY



The bodywork of company vehicles was decorated for this campaign, and merchandising included balloons, along with posters and fliers in the form of a heart with messages relating to the day made available on the fleet.

ART IN MOVEMENT



This project involved four "installations" created by young Portuguese plastic arts specialists. The idea was to give greater prominence to the company's funiculars and to the Santa Justa lift. It also represented a commitment to contemporary Portuguese art (the exhibition lasted until the end of June, though it was extended at the Ascensor da Bica until the end of September).

LISBOANDO WITH CARRIS

This event was part of the company programme for Mobility Month, and involved bike rides, walks, skating, trips on Segways or foot-propelled scooters and bikes, in a garden in the Belém district of the city. A "Bike Bus" was on hand to provide support for the various events.



A TRIP ON A BUS FROM WAY BACK WHEN

The company museum put on trips around Lisbon on the third Saturday of each month with a ride on one of its museum-piece buses, with the motto "Come and take a trip down memory lane".

• **Telematic systems**

The Real Time Operating and Information System for Passengers (Sistema de Ajuda à Exploração e Informação aos Passageiros - SAEIP)

A series of new functionalities for this system was put in place during the year to make sure the available data was easier to handle and covered more situations. Bringing the changes into operation as and from 2011 will produce gains in efficiency at the Traffic Control Centre (Central de Comando de Tráfego - UCOP/CT) and deliver information currently not available.

Specifically, the new input will allow a series of changes: there will shortly be no further need for daily route management worksheets; there will be a more direct analysis of all the situations outside normal procedure, as part of the monitoring of service quality required by the Quality Management System; improvements to the graphic on-screen picture of routes which have more than one single path; access to messages between traffic controllers (at the UCOP/CT) and crews; checking odometers (which influence calculation of how far vehicles have travelled and therefore where they are in the system); and on-the-spot adjustment of any change in the measurement of service quality criteria.

The automatic on-board passenger count system

During the year work continued on putting in and calibrating the automatic sensors that would indicate the number of passengers getting on and off the vehicles at each stop.

Around 50 vehicles have been calibrated, and automatic passenger counts have been carried out on different routes by rotating the use of these vehicles.

The data coming in has helped towards the calculation of statistical information on demand through diagrams relating to load, as required to comply with the procedures defined in the specific norms under the heading of CARRIS - NE 0010 "Determination of Supply and Demand" and NE 0062 "Monitoring and Measuring Service".

Geographical Information System (SIG)

During the year, this system had an increased role in operational planning and demand management, with conclusion (including compatibility and updating) of the analysis of the bus stop coordinates in the SAEIP system. This meant that from this point, it was possible to ensure the geo-reference for calculation of the distances between stops used in the SAEIP and GIST systems.

At the request of the IMTT, March saw a start on uploading the SIGGESC system. This meant first of all making the geo-reference base used for the company compatible with the "Navteq" axes available in the system.

Ensuring this coherence in the geo-reference information was necessary to continue using the network analysis software ("Network Analyst"), already available in SIGCarris.

The uploading of timetables and other parameters of demand into SIGGESC is reaching conclusion.

There was continuing dissemination of information about SIG as a working tool (through the company's Intranet, with the integration and updating of a range of information on SIGCarris.

The second phase of SIG is being prepared, and this will make it possible to develop new functionalities, one of which is essential and that is the integration of the SIG platform with the SAEIP platform. This will make it possible to use the SIGCarris platform for the geo-reference of occurrences on the operating network (such as "black spots" which are prone to accidents and interruptions to traffic).

Information for the general public

The company continued to improve the quality of generally available information, specifically through the integration of new products.

In pursuit of this objective, special maps for quick checking (known as spider-maps) were made available at stops as and from September in three pilot areas - Marquês de Pombal, Rossio / Praça da Figueira and Belém. These new maps have replaced the traditional maps in these areas. They make it possible for customers at each point or bus/tram stop to get a better perception of the connections on each of the routes and therefore identify more easily the points where a specific connection can be made.

At the end of June, as part of the measures involved in implementing phase three of the Rede 7 (Network 7) change, the customer information area was updated right across the CARRIS network.

In addition, there is work being undertaken on renovation or recovery of physical supports for information, involving for example, new paintwork or replacement of worn equipment.

The Integrated Transport Management System (Gestão Integrada de Sistemas de Transporte - GIST)

This system is fundamental for the company's operational planning. It is made up of two basic components - basic planning and scheduling, each containing various modules.

As planned, the year saw the creation or updating of a number of functionalities of the system, among them the improvement in management processes and back-up for decisions. This is carried out through the development of planning modules, including a basis for SIG and for operational planning, thus simplifying the process of daily allocation of the service as a function of the partial availability of crews.

The development and application of the "Planning 3" module, as part of the third version of GIST, was awarded to OPT in April: this new module provides integrated planning of vehicle and crew timetables and greater flexibility in production.

This is an ambitious project, and it will be moving forward in various phases throughout 2011.

The CARRIS sales network

There were no significant changes to the network during the year. As at 31 December 2010, the structure was as follows:

Sales network	2009	2010
Mob shops	2	2
Mob kiosks	4	4
Mob points	97	98
Payshop agents	262	258
Post offices	74	74
Total	439	436

The Mob kiosk at Cais do Sodré was opened on 22 September, following work on complete restoration and upgrading, both inside and out. The original lines have been kept, given that it is a classified municipal structure. The same kind of work has been slated for the other Mob kiosks for 2011, approval for the projects having been granted by the Lisbon City Hall in 2010.

In January, there was a get-together organized by the Choral Group, the Light Orchestra and the CARRIS Band. It took place in the Centro Cultural de Belém, and was preceded by a concert for the New Year. The aim was to bring closer together all the staff (from the company and others) involved in the sales network.

The company is deeply engaged with its partners and gives great strategic focus to the quality of its customer services. In the light of this, it launched the contest "Ponto mob+" in January 2010. This is a half-yearly event, aiming to stimulate, highlight and give an award to the best Mob points. There are five prizes in total awarded.

2.3. FUTURE PROJECTS

The next few years will be marked by major challenges, among them:

- **Reaching the objectives set out in the Management Contract for 2009-2011;**

- **Complying with government guidelines, stemming from the financial restrictions decreed at a national level;**

- **Continuation with the network renewal - "REDE 7";**

- **Putting actions into place that help boost demand;**

- **Reduction of fraud;**

- **Improvements inherent in traffic management and road conditions:**

- New BUS lanes;
- New priority systems for public transport at traffic lights (intelligent lights, specifically through the expansion of the Gertrude system);

- **The bus fleet**

- Study and adoption of measures aimed at improving the reliability of vehicles and cutting down possible impact on service quality and maintenance costs that may arise from an aging fleet if the renovation process is interrupted;
- Deeper analysis of issues related to the rational use of energy and improvements to energy efficiency in transport, with best practices in the field adopted.

- Deeper analysis of issues related to the rational use of energy and improvements to energy efficiency in company buildings / premises, with best practices in the field adopted having this goal in mind;

- Continuation of right-sizing and training of staff, in particular crew members;

- Continuing improvement to company performance, a commitment deriving from certification of the SGI - Sistema de Gestão Integrado da Qualidade, Ambiente e Segurança (Integrated Quality, Environment and Safety Management System);

- **Extension of the transport service certification process to 7 more lines / routes in 2011;**

- **Strengthening of ties between the company and its stakeholders;**

- **Consolidation and development of the Driving Data management system (Sistema de Gestão de Dados da Condução - XTraN DRIVE);**

- **Innovation and promotion of new business in partnership with companies where CARRIS has a holding;**

- **Long-term tickets**

An analysis of the benefits deriving from the new annual bus/tram passes - a measure already adopted by other European transport operators and especially targeting habitual customers: "Carris Urbano Anual" (Annual Urban Card) and "Carris Rede Anual" (Annual Network Card).

The aim of this measure is to increase customer loyalty through discounts and simplification of the process for acquiring a ticket, and it brings benefits in terms of front-loading income and possibly attracting more customers;

- **Partnerships with car parks**

A protocol was signed on 22 September 2010, between on one side the parking operations EMEL and EMPARK, and on

Always thinking of you



the other side CARRIS, the underground operator (Metro) and OTLIS. The aim of this is to produce an integrated tariff system for those who use parking lots on the edge of the city and public transport - the Park & Ride system - using the contact-free cards "Lisboa Viva" and "7 Colinas/Viva Viagem".

The Park & Ride integrated tariff scheme will be operational during the first quarter of 2011 for an experimental six-month period.

- **The "Mobile Ticketing" pilot scheme**

This involves the use of mobile phones (using NFC - "Near Field Communication" technology) to pay for tickets, and this will make it easier and more practical to use public transport.

This technology is a contact-free short distance system in general use in a number of countries, among them Japan and South Korea.

The scheme is being developed in partnership with the Lisbon metropolitan region transport operators OTLIS (Operadores de Transportes da Área Metropolitana de Lisboa), with the telecommunications companies (Vodafone, TMN and Optimus) and with Oberthur (supplier of the Lisboa Viva cards and cards for mobile phones).

3

RESPONSIBILITIES





RESPONSIBILITIES

This chapter details company operations, with recourse to the indicators relating to the three pillars of sustainability: the economic, social and environmental.

In order to obtain quantitative information, the company has used the internationally recognised “Global Reporting Initiative” (GRI), and specific indicators for the transport sector (see “**Indicators 2010 - GRI 3 and Specific reference to the transport sector**”).

3.1. ECONOMIC RESPONSIBILITY

This aspect of the company is fully documented in the Annual Report. Below are some of the most representative figures:

- Revenue: net sales for the year stood at 78,309,108.62 euros, with the amount relating to public service accounting for 74,360,517.20 euros;
- Suppliers: cost stood at 50,440,001.98 euros, including supplies, external services and consumption of materials not produced in-house, with around 39.63% coming from energy - cost of diesel, natural gas and electric traction (19,986,906.72 euros);
- Staff: costs stood at 83,555,228.59 euros, including 58,192,602.38 euros in salaries, 15,890,451.14 euros in social charges and 9,472,175.07 euros in additional retirement pensions;
- Public sector: 424,438.29 euros were earmarked for direct and indirect taxes. State subsidies totalled 55,484,552.79 euros.

Operating results

The year saw the operating results at a negative 17.7 million euros, with EBITDA coming in at an upside 2.6 million euros. This was down slightly, but the company continued with measures that brought down the operating deficit by 70.7% compared to 2002. This is playing its part in helping to reach economic sustainability.

3.2. SOCIAL RESPONSIBILITY

3.2.1. CUSTOMERS

The company holds the exclusive right to provide over-ground urban passenger services in the city of Lisbon, backed by more than 100 years of experience. Its purpose is to satisfy the needs and expectations of its passengers.

The company’s involvement in and identification with the city is clear from the statistics, above all in the number of passengers carried and kms covered. A look at the numbers will show how important it is, since it holds a special place in the city’s mobility.

MEANS	2009			2010		
	Passengers - public service (10 ³)	km public service (10 ³)	Passenger / km	Passengers - public service (10 ³)	km public service (10 ³)	Passenger/ km
Buses	221 442	39 586	5,59	220 554	39 378	5,60
Trams	18 981	1 991	9,53	20 003	1 999	10,01
TOTAL	240 423	41 577	5,78	240 557	41 376	5,81

• Health and safety of passengers

The company is constantly concerned with the comfort and safety of passengers and low environmental impact. This concern translates into the creation of conditions that foster quality of service on its fleet, which now consists of modern vehicles with safety systems and equipment, conscientious and qualified crews, and suitable access for older people and those with mobility problems.

A number of features are in use to fight delinquency and vandalism on the network, among them:

- Strengthening of the special connection to the Lisbon metropolitan police command and to local and divisional police command in the areas around company depots and complexes;
- The use of police officers (a paid service) to
 - watch for and identify pickpockets (on the most hazardous tram and bus routes);
 - support in identifying passengers without tickets as part of the commercial inspection operations (especially the most hazardous routes on the early morning network);
 - The supply of statistical information for the Ministry of Home Affairs and the police with a view to analysing safety/security problems on public transport and propose or put into place specific measures to reinforce security;
 - The use of video surveillance systems to protect passengers, crews and vehicles against acts of delinquency and vandalism on the company's operating network.

• Accidents

- There was again a fall in the number and rate of accidents during the year (down 7.8% year on year). The reduction in the rate of accidents meant there was a fall from 41.21 accidents / 106 vehicles x km in 2009 to 38.11 ac / 106 vehicles x km a year later. The big fall in the number of accidents involving buses (down 8.6%) played a major part in this.
- There were 1,602 accidents (compared with 1,737 a year earlier), involving 1,305 collisions (81.5%), 237 falls (14.8%), 35 involving people being knocked down (2.2%) and 25 people trapped in some way (1.5%).

There are still a considerable number of falls on board the buses. This is due to the fact that a large number of customers are older than the average. The poor state of the roads doesn't help either.

The accident rate depends on a number of factors but above all on driver performance and adaptation to the buses and to conditions on the roads. The training plan for the year continued, with specific action on these aspects of driving:

- Continuous training was involved through the course "Quality + in customer service" - 2006/2010. Among the subjects were driving techniques, good practices in defensive driving and personal safety for crew and passengers.
- There were retraining courses in "Driving Techniques and Accident Prevention", covering crews who have had three or more accidents or who have been off work for more than six months, and crews who have been driving the new buses;
- Actions with inspectors accompanying crew members on routes;
- Prizes for driving: an annual award based on the number of hours driving without an accident and, every four months, the prize "Desempenho +".

One of the reasons underlying these actions was the commitment to accident prevention taken on by the Company on its signing of the European Road Safety Charter.

Nature of accidents	2009	2010
Collisions	1436	1305
Falls	253	237
Individuals knocked over	27	35
Individuals trapped	21	25
TOTAL	1737	1602

	No. of accidents		Accident rate (No. accidents * 10 ⁶ / Vehicle x km ST)	
	2009	2010	2009	2010
Buses	1611	1472	40,22	36,88
Trams	126	130	59,49	61,63
TOTAL	1737	1602	41,21	38,11

• Incidents

- Incidents include interruptions to traffic flow, and acts of vandalism or delinquency (involving windows, seats and others, though graffiti is the biggest plague) and delinquency (disturbances, aggressive behaviour, injuries, robbery and mugging).
- Interruptions to traffic flow: the number rose by 17.8% year on year, in spite of daily checks on bus lanes, and the new lanes, and the physical barriers also put in place to curtail parking where forbidden.
- Vandalism: this also rose across the network, with 198 incidents, 77.3% relating to stones thrown at vehicles.
- Delinquency: the numbers of robberies and muggings (86 cases, representing 23% of the total) only relates to the situations where the passenger reports the incident to the driver. This has no relation to the number of complaints made only to the police.
- The big number of robberies and muggings continues to be a concern to the company, and is happening in spite of the dissuasive measures that have been taken, including the installing of video surveillance on all the fleet's vehicles (with all the costs involved) and the special connection to the police.

As the level of criminal behaviour in the city rises, public transport sometimes becomes the favourite target. A word is due here to the extra measures taken with the Lisbon metropolitan command and the commands at police division and station level, above all in the areas close to depots. This goes too for use of police officers both to work with our inspectors (with checks on the routes and in the places that are more likely to see problems, including the late night/early morning service), and to monitor and identify groups of pickpockets on hazardous bus and tram routes.

Nature of incidents	2009	2010
Interruptions to traffic flow	1 299	1 530
Vandalism	155	198
Delinquency	374	368
Other incidents	1 278	1 551
TOTAL	3 106	3 647 (+17,4%)

Rate of Incidents	2009	2010
(No. of Incidents * 10 ⁴ / Vehicles x h ST)	10,17	11,96

• **Customer ombudsman**

The customer ombudsman is responsible for analysing complaints and suggestions from customers, for ensuring adequate replies in good time and for recommending solutions that are geared to producing a better quality service.

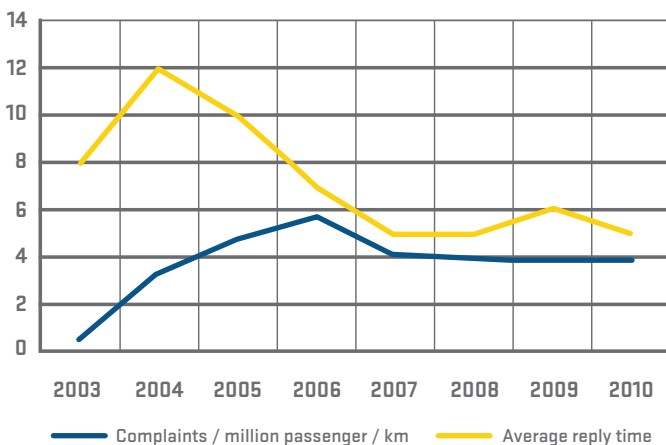
From March 2003 to December 2010, there were 36,321 (36,671) contacts, broken down as follows: 18,722 complaints about the service, 10,049 requests and suggestions, 7,013 complaints about staff and 537 praises (403 for staff and 136 for the service provided).

In 2010, 4,652 comments were received (3,226 by e-mail, 456 through the Complaints Book, 453 through the post, 422 over the phone, 54 in person and 41 by fax).

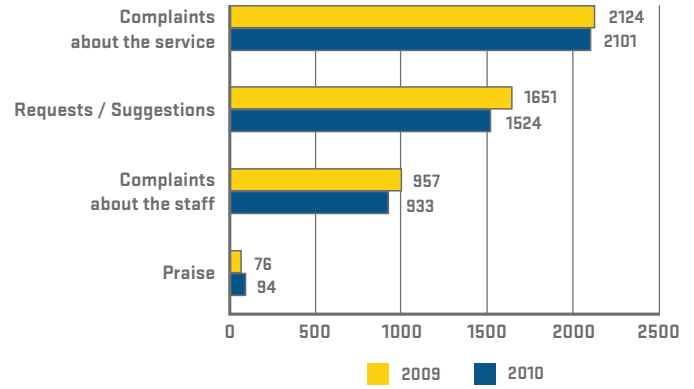
The average response time for claims and complaints was 12.6% better than a year earlier.

Replies were sent to 2,748 complaints about the service and about the staff. The answers were dispatched in an average time of 5.34 days, which is lower than the time taken as a yardstick by the company.

There were also 1,614 replies to requests, suggestions and praises for staff or service (compared with 1,728 in 2008).



There were 2,101 contacts from the public regarding service, 933 related to the professional attitude of staff, 1,524 suggestions and requests and 94 expressions of praise.



The most common type of complaints can be broken down as follows:

	2010	2009
• Irregular service	634	793
• Insufficient information	344	343
• The ticketing process	294	306
• Driver - service	261	250
• Aggressive driving	197	185
• Driver - not stopping when requested	159	134

The 422 suggestions made led to 15 changes, the most salient of them relating to improvements to the site company's site, information provided on the buses, the siting of bus stops and transporting customers with mobility problems.

Most of the praise for staff related to the commercial side of customer/driver relations. Among the praise, there were the remarks about the way Pope Benedict XVI was received and the changes made during the third phase of the "REDE 7" changeover.

• **Customer satisfaction**

Within the context of the Integrated Quality, Environment and Safety Management System, the company has carried out an annual satisfaction survey, the survey, **the Customer Satisfaction Index (CSI)**, to assess the move in public opinion about the service.

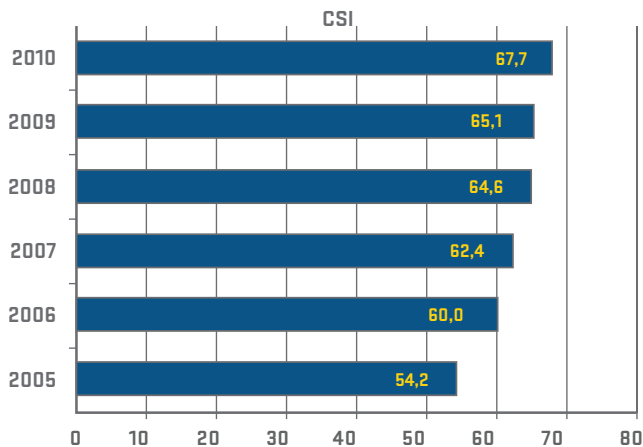
The overall level of satisfaction has increased over the years and in 2010 the average stood at 67.70 out of a possible 100 points.

For those answering the survey, the most positive aspect of the company's **image** is that the company's contribution to society is very much on the plus side.

80% see the company as being concerned about the **environment**.

The assessment of **quality** covers six features, and the indicators were up again this year, those connected with issues of safety, service, time, comfort and information getting the best scores.

The survey was carried out by the CESOP from the Universidade Católica, in collaboration with Q - Consultores. It follows the model used by the ECSI - "European Consumer Satisfaction Index".



3.2.2. STAFF

The company believes that its human resources fundamentally make the difference. They are a crucial factor in determining the quality of its service.

During the year, a new model of management by skills was put in place, and this will lead to a new phase in the management of human resources, backed by a new technological platform and interconnected with other IT solutions covering operational management.

The number of staff on tenure during 2010 was hardly different from a year earlier. At year-end, total staff stood at 2,771 (2,525 men and 246 women).

Average age for crews is 39.51 years and for remaining staff is 48.18 years. Average length of service overall is 16.34 years. Of note here is the move towards younger staff, with around 1,000 new admissions for crews over recent years.

Unionisation continues to be high and stands at 89.3% of total staff.

There are good labour relations at the Company, as seen in the study on organisational climate carried out towards the end of the year. There continue to be excellent levels of satisfaction and a high sense of commitment. There is no record of significant changes to the smooth running of the Company or any other internal conflict.

Company employees receive all existing legal benefits and in addition there is a contractual agreement covering an extra subsidy for sickness, and a percentage share of expenses on medicine and diagnostic tests. The company also provides in-house medical and nursing assistance. The cost of these benefits, for which no charge is levied, stood at 1.2 million euros in 2010, the return for the company being an acceptable level of absence through illness (2.22%).

Company retirees are eligible for an additional sum on top of their pensions and their surviving spouse and all first-degree dependents or equivalents are given an addition to their survivor pension. All of these outlays totalled around 12.2 million euros in 2010. The company also made additional payments to social security totalling 1.4 million euros in the same year.

All staff in service, retirees, spouses, first-degree dependents and survivors have the right to a free "Lisboa Viva" card. There are 14,000 cards in circulation.

The company runs a recreational and social programme and supports a variety of initiatives for its employees and pensioners. Among them are the CARRIS band, the Choir and Light Orchestra, the Sports Group, the Holiday Centre (for children of staff up to age 12), the Support Fund and canteens and bars on company premises. The cost for these benefits stood at around 165 thousand euros for the year.

The company also provides support for physical exercise / sports for its staff. It has protocols with a number of gymnasiums giving special conditions for membership and the monthly fee. Worth mentioning here is the start of the gymnastics at the workplace scheme, already described.

The company is aware also that crews need better access to sanitary facilities during their service. With this in mind, now that the sales network has been reorganised, the sanitary facilities at various points on the network are being renovated and remodelled.

A number of important dates are celebrated with special events during the year, among them Christmas and the company's anniversary. All staff and families are welcome to take part.

• Performance awards

The skills and dedication of company staff are recognised and highlighted with periodical performance awards. Among these are the awards for productivity, defensive driving and performance + award.



The award "Desempenho +" (Performance +) was created in 2007, and it is awarded every four months to crews with top quality performance. It is underpinned by an array of rigorous criteria involving areas across the Company. This award has been given to an ever-increasing number of crew members, proof that there is a solid and growing awareness of the objectives underlying the award, and these relate to quality of performance and behavioural approaches to work. There were 501 awards for bus and tram drivers during the year. The total outlay for these incentives in 2010 came to around 242 thousand euros.

• The "Carris Innovation Idea" and "Carris Innovation Project" awards

The "Carris Innovation Idea" and "Carris Innovation Project" awards are part of the incentive scheme in the Company. The aim of the awards is to give recognition to staff who have made innovative proposals that have contributed - or may contribute - to an improvement in quality and the efficiency of the service.

The "Carris Innovation" awards were given out during the celebration of the 138th anniversary of the company in September.

• New staff

The main aim of the recruitment policy, in particular for crew members, is to increase quality and safety levels in the service provided, ensuring also an adequate number of staff for efficient performance.

Recruitment of qualified staff is one important aspect of this, and there were 66 admissions during the year, practically all destined for work as crew members.

A process of in-house selection should also be mentioned here: it involved strengthening the area of traffic control (inspectors), the aim being to reinforce line management at the top to provide better monitoring and management of crews. The purpose is to optimise performance, and motivation, with the resultant improvement to quality of service.

• **The programme “Maximize – know, manage and communicate”**

This consists of a programme involving software development in the area of human resources supported on the application GESVENGRH.

Objectives:

- To develop existing software solutions in human resources;
- Create and implement new software solutions;
- Create an integrated human resource management tool for the whole Company;
- Maximize available human and technical resources through management of performance, knowledge and its dissemination and communication;
- Input significant improvements in the articulation of information between central and local areas (the DPC and administrative areas at the depots).

This programme is made up of three distinct sub-projects. As an example:

- Management of skills and potential
- Management of performance, remuneration and benefits
- Management of training
- Management of selection and integration of staff
- Staff records digitalisation process
- Staff portal

• **“New opportunities”**

The Company is utterly dedicated to developing the personal and professional skills of its staff, and it has made over the years a major effort to provide all necessary conditions for such development.

In this context, it looks to increase the level of academic attainment of its staff and to this end it has cooperation agreements with the national agency for qualification (the Agência Nacional para a Qualificação, I.P. - ANQ) and with five centres for new opportunities (Escola Secundária de Camarate, Escola Secundária de Miraflares, Escola Secundária Marquês de Pombal, Instituto dos Pupilos do Exército and the Centro de Formação Profissional do Sector Terciário - Lisbon). There has been a large number of staff joining, with more than 330 people enrolled and 104 certificates obtained.

• **Support +**

Support+ is a service provided by the Department for Management of Personnel and Human Capital (Direcção de Gestão de Pessoas e Capital Humano - DPC). The aim is to provide psychological and social support in order to promote the psychological and social well being of all staff. A multidisciplinary team has been created to put this into practice.

• **“Team Up” CARRIS – Leadership on the move**

A new project was started in September 2009, with a two-year time span, aiming at the development of middle management in operating areas.

The idea is to use training and coaching to foster the capacity for leadership and team management, to streamline procedures and standardise them wherever possible, promoting inter-departmental communications and a commercial attitude in relations with customers. The main aim is to increase

efficiency and the quality of service, improving specific performance indicators, among them absenteeism, accident rates, customer complaints and operational standards.

• **E-mail for all staff**

The e-mail project provides all members of staff with their own e-mail reference, and was conceived within the policy of creating the tools needed to raise the quality of in-house communications.

• **Organisational climate in Carris 2010**

The Company worked with the support of a team from the university ISCTE on a first ever study of its organisational climate. The purpose of this is to analyse the opinions and attitudes of staff in an array of features relevant to its operations.

The study (bringing in a response rate of around 41.5% of the total number of staff, revealed the following:

- staff are reasonably satisfied with the running of the Company, and they have a very positive opinion about in-house communications (an e-mail address for everyone and the Company Newsletter);
- they have a high level of identification with the Company;
- they also consider that the Company has been modernising in a number of ways and they appreciate the effort;
- most of those answering the survey, however, consider that the Company needs to improve its human resources management, above all in terms of promotions and performance appraisal.

The Company is working on the suggestions that staff have made, the aim being continuous improvements to the organisation.

• **Training**

In a modern, competitive and demanding entrepreneurial environment, staff training is essential. The Company sees this as the basis for developing its professional training, following the strategic guidelines set down, aiming for optimisation of human resources and improvement to professional skills, running in tandem with company fleet renovation, updated technology and enhancement of the company's image,



During the year, the company began an overhaul of the management of the training area and continued to focus very strongly on this feature, with 64,067 hours of training given, covering 1,522 members of staff. The main emphasis was on those who have direct contact with customers.

In terms of crews, there was a start made with the on-going training courses that would lead to a certificate in driving aptitude (Aptidão de Motorista - CAM) under the provisions of Decree Law no. 126 of Mayo 2009. During the year, around 10 crew members were involved, and the course will be extended to all crew members in the coming years. In addition, Além disso, no âmbito do projecto Team Up é de relevar a redefinição do papel dos Inspectores de Acompanhamento dos Tripulantes e o reforço do seu inter-relacionamento de proximidade.

Investment in training entailed a major financial outlay (0.62 million euros) during the year. It implies pinning the company's future on the performance of services which have a decisive contribution to consolidating the relationship between company and customers.

• **Gymnastics at work**

This activity is a way to actively promote the notion of quality in lifestyle and the well being of its workforce, with implications on performance and motivation and is part of the efforts to reinforce social responsibility within the Company. There are two gym sessions every week, with 15 minutes per session, at the workplace.

• **Safety and hygiene at work**



The Company pays particular attention to the health and safety of its crews, along with the remainder of its staff. During the year, the safety and health at work management system was awarded certification.

This certificate is the result of a major operation to identify, assess and control risks, of working conditions and the associated needs for information and training. And it is above all a Company commitment to minimise risk at work and to encourage preventive actions in order to ensure safe and healthy working conditions throughout the organisation.

The year saw another twelve-month with a low level of work-related accidents.

3.2.3. LOCAL COMMUNITY

Museum

The Company museum opened on 12 January 1999, and is a witness of the contribution that CARRIS has given to the city of Lisbon. It is also a cultural point of reference in the life of the city, and has come to be recognised as one of Lisbon's finest museums.

There are two areas in the museum:

- In the first, there is a collection fundamentally made up of documents and small artefacts, to a total of 24,551 items, including plans, drawings, photographs, collector's items, a library and loose documents, many of them now available on-line, the "Museu On-line" which allows visitors to consult the data base. There are also exhibitions which have been available since 2006 in the museum and administration areas and the medical centre. There are age-old items here, representing the history in these areas and making for additional wealth for the museum's collection.



- The second is composed of old traction vehicles drawn by animals and trams, the electric traction substation, buses, the printing areas and the historical unit of the Company's staff band.



One of the special attractions of the museum is a journey between the two areas on a tram from the early 20th century (1901).

Since April 2007, the Main Room in the Santo Amaro complex also included the museum area, with a permanent exhibition - "Os amarelos da CARRIS na Imprensa Europeia" (The yellow of CARRIS in the

European press). It shows the interest that the trams, funiculars and the Santa Justa lift awoke in the foreign media and among tourists in general.

Everyone who visits the Company museum can learn a lot in detail of each of the items on display and their purpose, by means of leaflets available in each of the rooms. They can also use the audio guides.

The number of visitors continued to rise year on year, both Portuguese and foreign, from a wide age range. They were able to remember or to learn about the importance of the history of the Company.

A particular point worth a mention is the fact that the number of school visits rose and this contributed to foster among the young a taste for "their" history, linking it to public transport and at the same time drawing their attention to the need to use and give more importance to public transport as a feature of urban mobility.

The Company's education service was started in October 2005, and it has responded positively to demand. Its aim is to make the museum's collections more accessible and more attractive through an approach that appeals to the senses and to experiencing things, though the educational element is not forgotten. The museum premises were available for birthday parties, and this provided the children with a different way of celebrating this special occasion.

The museum continued with the policy of offering a 10% discount on tickets through protocols with a series of organizations. In addition, a 30% discount was given on standard tickets to those holding the "Lisboa Card" and the half price ticket available for children under 12 and senior citizens, as long as they were visiting just the museum.

Activities involving the museum:

- Between 19 and 21 March, the museum took part in the "Motorclássico 2010" show, having a stand and putting the museum piece bus no. 301 on display;
- At the end of April, it hosted a visit by the tennis player Roger Federer;
- In May, it took part in the event leading to the St Anthony wedding festival (the "Casamentos de Santo António");
- In the same month, it marked Museum Night by keeping its doors open until midnight, entry free and with a concert given by the light orchestra;
- On 18 May, international museum day, it marked the date by offering a free pass to all visitors;
- On the same day, it joined the network of Portuguese museums (the "Rede Portuguesa de Museus"). The Company chairman was at the museum of Beja to receive the credentials from the hands of the Secretary of State for Culture.
- On 22 May, there was the first rally of vintage buses through Lisbon, given the name "Passeio dos Clássicos" (the Vintage Run). The event took place on the third Saturday of each month (with the exception of August) giving many people the chance to remember or get to know some of these historic vehicles.
- On 13 September, the candidates for "Miss World Portugal" rode through the city on museum pieces, one of them an open tram and the other a double-decker bus (the pictures taken were later used for the international Miss World contest in the presentation of the winner);
- The literary work "Eléctrico 28 - Uma viagem na História" (The 28 Tram - A Trip through History) was presented in the museum on 22 September (the texts are by Nysse Arruda,

with photography by Clara Azevedo and a design by Henrique Cayate, and it was published by the Imprensa Nacional – Casa da Moeda with Company support). The aim of the work is to provide a detailed description of the monuments along the route of the 28, and is available in Portuguese and English, with a translation into Spanish to follow in 2011;

- On 3 October, the museum officially opened the exhibition “A República de Eléctrico” (The Tram through the Republic) in the presence of the Secretary of State for Transport (the exhibition is open until 31 March 2011, and is a joint initiative involving the Company and the Comissão Nacional para as Comemorações do Centenário da República (National Committee for the Centenary Celebrations of the Republic) and the aim is to publicize the history and the patrimony of the Company during the period of the 1st Republic).

The “Lisboa Carris” magazine



This is one of the most important in-house documents produced by the company. It is where a great many staff of its associated companies Carristur and Carrisbus, retirees and families find out about most company activities and the main projects where it is involved. The magazine is published every three months, with 8,000 copies, and is delivered to the home addresses of all recipients.

Image and Communications

• **Core values**

- Catalyst of urban mobility
 - Quality in the supply of service
 - Guarantee of easy access, comfort and safety
 - Social, environmental and economic responsibility
 - Innovation, a modern approach and closeness in relations

• **Overall objectives**

- Market share
 - To increase market share in public to the detriment of individual private transport;
 - To ensure that CARRIS becomes the prime public transport operator in the city.
- Supply
 - To encourage/stimulate trying out the service;
 - The start of new services, geared to bringing in new market segments.
- Access to the service
 - To boost sales by simplifying and reducing related costs;
 - To make it easy to get information and access to the Company's network;
 - To define new channels and ways of selling.
- Attracting/Retaining customers
 - To retain and increase loyalty in the existing customer base;
 - To increase the profitability of the existing customer base;
 - To tackle new segments of the market with greater added value;
 - Bringing in new customers.
- Image
 - Promoting the idea that there needs to be a change in the traditional negative image associated with public transport;

- Fostering the image of the Company as a catalyst for urban mobility in Lisbon;
- Enhancing the profile of the brand as a modern, dynamic and cosmopolitan Company.

■ **Communication**

- Increasing the effectiveness of communication;
- Removing barriers to use the use of the Company's service, making access easier.

• **Participation, awards and distinctions**

■ **Fairs, congresses and other events:**

Involvement in the following: Festival Super Bock Super Rock, Festival Delta Tejo, Festival Optimus Alive, Festival de Cinema Indie, Meia Maratona de Portugal, Feira Portugal Tecnológico, Corrida de S. Silvestre, Green Festival, Marcha contra a Fome, Corrida da Mulher, APPM, a stand at the BTL, Motor Clássico, Exposição Mundial de Filatelia, Congresso IMTT, Conferência de Território, Acessibilidade e Gestão da Mobilidade, IX Seminário APNCF in the Instituto Superior Técnico de Lisboa, Lisboa Cup, Seminário CT 148.

- The Company was also on the news worldwide through its involvement in the event involving the tennis star Roger Federer.

• **Prizes won by the Company**

- **CARRIS, one of the best companies to work for in Portugal** - January.

- CARRIS, 10th place (with a point count of 62.5%) in the 6th “**ACGE Index** (Climate Change and Company Management) 2010 - Climate Responsibility in Portugal”, where there were 54 companies represented, from 14 sectors of the economy. In the transport sector (9 companies), CARRIS led the group in terms of good climate practices.

- **CARRIS, one of the most sustainable companies in Portugal** (award for citizenship among companies and organisations, given by AESE - Escola de Direcção de Negócios and by the consultants PricewaterhouseCoopers) - January.

- **CARRIS, Empresa Familiarmente Responsável** (Company showing responsibility towards families) - a special mention awarded by Deloitte and the - April.

- Consumers consider CARRIS to be a “**Superbrand**”, a recognition of the Company an outstanding brand - June.



• **Support for other organisations**

The Company is very aware of the importance of social responsibility as one of the pillars of sustainability, and within the scope of its activity, it was linked to a raft of initiatives involving other organisations. These covered a wide range, with sponsorships, financial support and partnerships, and other events where it could focus on the use of its public transport services, and contribute to raising its profile.

• **Sponsorships and related action**

- Provision of space inside buses and trams for disseminating information on events, shows and exhibitions.

- Organization of events that were top quality and of clear relevance in cultural terms, as sponsor or entity associated to the event, among these being:
 - Sponsorship of the exhibition "1,000 Families", organized by Amnesty International (the Company donated 1,000 euros and provided space - A2, "site" and mobtv - for publicising the event);
 - Silver sponsor for the project "Formula Student Técnico" (Specialist student formula, where the Company donated 1,600 euros);
 - Sponsor of the "IX Seminário sobre a Normalização, Certificação, Inovação e Desenvolvimento Tecnológico no Domínio Ferroviário" (9th seminar on certification, innovation and technological development in the field of rail transport, which the Company supported through allocation of 1,500 euros);
 - Silver sponsor for the 6th edition of the project "Climate responsibility in Portugal - the ACGE index for 2010" (with financial support to the amount of 1,500 euros);
 - Bronze sponsor, to the value of 6,900 euros, for a concert to launch a commemorative CD of the centenary of the Portuguese Republic.

• Culture and Entertainment

The support given by the Company in this field covered a wide range, the aim being to guarantee the conditions necessary for cultural activities in the city. The support includes the following:

- The Company played a part in the organisation of the "Casamentos de Santo António" (Weddings of Santo António) through initiatives that involved the museum. This meant providing a vintage bus the couples and then snacks offered by the Company, accompanied by the light orchestra of section of the staff band. Guests were also provided with transport and posters referring to the event were put up inside the vehicles.
- The Company worked with EGEAC - Empresa de Gestão de Equipamento e Animação Cultural (Management of Amenities and Cultural Entertainment), a City Hall company, making trams available on routes 18, 25 and 28, as the stage for "Fado no Eléctrico" (Fado on the trams), an event that was part of the Lisbon festival during June. It took place from Thursday to Sunday, from 4 p.m to 6 p.m. and then from 7 p.m. to 9 p.m., with various fado singers and musicians.
- Also in collaboration with EGEAC, buses were made available for spontaneous theatrical moments every Friday during July, at 6 p.m.
- The same collaboration led to jazz sessions "Jazz às Onze" (Jazz at 11) on the funiculars of Glória, Bica and Lavra and on the Santa Justa lifts, all of which were classified as national monuments in 2002.
- The partnership was gain working in the organisation of the Lisbon festival with A4 posters and fliers on the public service fleet.
- As part of the commemorations of the anniversary of the republic, the Company set up a partnership with the organising committee, providing a bus to run on the "Roteiro Republicano de Lisboa" (the Lisbon republican route), with an itinerary that took in sites in the city that are emblematic of the setting up of the republic.
- This project involves the Company, in conjunction with the publisher Objectiva, in the publication and distribution on buses and trams of various pocket books. The idea is to foster the habit of reading, bring books and readers together and help to make the journey more agreeable.

• Requests from other institutional and private organisations

During the year, a number of prominent figures and representatives of organisations visited the Company and a number of requests for transport were made by committees. There were visits on buses or trams organised and tourist trips within official programmes, among them:

- The famous tennis star Roger Federer visited the Company in May, on the occasion of the "Estoril Open", and had the chance to look over some of the vintage trams which form part of the museum collection. He also took a trip around the city on a historic bus. When he went from Santo Amaro to the site of the Open in the Estádio do Jamor, he gave a good example by riding on public transport.
- Visit by members of the prefecture of the Osasco municipality in Brazil to the Traffic Command Centre on 26 May, followed by a delegation from the Brazilian Authorities linked to public transport on 15 July.
- Visit of a group of transport enthusiasts to the Traffic Command Centre on 17 September.
- Visit of the Mozambique Minister for Transport and Communications on 14 October.

• Education

The Company provided support in this field with two aims: to ensure transport for those taking part in various events put on by teaching establishments; and provide a response for actions geared to learning and training for young people, including study visits:

- Support for the ERASMUS programme, put on by the Associação de Estudantes Estrangeiros (Association for Foreign Students), with tickets in the "Welcome Kits". These were distributed to 3,000 foreign students in the programme.
- Study visits by pupils from the Externato João Alberto Faria da Arruda dos Vinhos (to the auditorium and workshops 1 and 2 in the Miraflores complex), by pupils from the Escola Superior Náutica Infante D. Henrique (workshops 1 and 2 and the Traffic Command Centre) and by pupils from the Escola Secundária de Viriato - Viseu (the Traffic Command Centre).
- Visit by ERASMUS students organised through GRACE - Grupo de Reflexão e Apoio à Cidadania Empresarial, for a presentation of the Company's social responsibility project.

• Health and Solidarity

The Company gave support to a number of social events throughout the year, organised by third parties, among them:

- In March, it took an active part in the "Limpar Portugal" (Clean up Portugal) event, involving around 50 members of staff, as part of the "CARRIS Presente" project, where all initiatives of the Company's initiatives in the social and solidarity fields are included.
- The Company gave 15 monthly passes to the Associação de Apoio a Pessoas com VIH/SIDA (Association to support those with AIDS/HIV), at the request of the charity ABRAÇO.

- The offer of 4 free passes to the Sisters of Charity of Mother Teresa of Calcutta to make it easier for the sisters to go about their daily tasks in support of those most in need.
- In March, the Company launched a campaign entitled “Ajude o Kiko e abrace esta causa” (Help Kiko and take this cause to heart), raising awareness among the staff about the importance of being a bone marrow donor. In this context, the Company made a room available in the Miraflores medical unit for donation of blood with a view to being included on the national register for bone marrow donors.
- Transport was provided for those taking part in “Walk the World” - “Marcha Contra a Fome” (March against Hunger), an international initiative aimed at raising funds to tackle hunger.

• **Sport**

Whenever the city is host to a sporting event, the Company - always an active player in organising the city's life - is involved in the matter. This is because the Company is always being requested, directly or indirectly, to make an array of temporary changes to its routes. In some of these cases, it takes the role of “Official transporter” of the event. Among these were:

- The event “Lisboa a Mulher e a Vida - 5km EDP” - 5th edition: the Company organised a shuttle between the Rocha de Conde de Óbidos and the Torre de Belém;
- “Meia Maratona de Lisboa” (Lisbon half marathon): it provided free transport between Belém and the Estação de Campolide for those taking part;
- “Lisboa Bike Tour 2010” - 5th edition: it provided buses to take the athletes between Expo and the Ponte Vasco da Gama;
- “Corrida ISCPSI - APAV” - 8th edition: it provided buses to transport around 2,000 participants between Alcântara and Santa Maria de Belém;
- The race “Vencer pelo Cancro” (Defeating cancer)- 2nd edition: it made buses available to transport participants;
- World Boccia championship for the handicapped: it provided free transport for participants.

• **Other relevant actions**

- In January, the Company launched the “Art in Motion” project. This was part of a cultural programme involving public art and was open to the general public from 5 January to 3 June.

The company invited four Portuguese artists (Vasco Araújo, Alexandre Farto, Susana Anágua and Susana Silva) to present work on the funiculars of Lavra, Bica and Glória and in the Santa Justa lift. The aim was to create a bridge between a past replete with stories and instance of togetherness, the present and the future;

- In February, the Company made a formal application to become part of a group which comes together to promote and support citizenship among business (GRACE - Grupo de Reflexão e Apoio à Cidadania Empresarial). The aim of the group is to encourage and publicise social responsibility actions in businesses and the reason for the Company becoming part of GRACE is to give more prominence to the theme of corporate citizenship. This is an area where it has focused a lot of attention as part of its project “CARRIS Presente” (CARRIS as part of our lives);

- Between 21 and 28 of May, the Company provided a tram as its part in the biggest digital event in the world (the Verge Seminar);
- In the Gare do Oriente, on 22 September, there was the presentation of 30 new articulated buses which were at the heart of a major new initiative - “Internet” through a free Wi-Fi connection - the result of a partnership with the telecoms operator TMN;
- The Company again took part in the “Green Festival”, which was held at the Congress Centre in Estoril.

Here, it put up a stand and took part in a workshop for professionals on the theme of sustainable mobility, organised by the Director of Innovation and Development;

- It was present in the initiative “Portugal Tecnológico” (Technology in Portugal), put on by the Ministry of Transport (MOPTC), and held in the Lisbon International Fair (FIL);
- In November it celebrated the first anniversary of the movement “Menos um Carro” (One car less). The ceremony took place in the Miraflores complex, and involve the signing of a protocol in which the Lisbon Municipal Transport Authority, the Institute for Mobility and Overground Transport and Siemens S.A. joined the movement;
- The Company organised two workshops, which took place on 19 May and 14 September, on the themes of “Cultura de Inovação” (an Innovation Culture) and “Tendências de Inovação” (Trends in Innovation);
- During the Christmas period, there took place the “Linha da Alegria” (the Happiness Line), which is part of the CARRIS Presente project, the aim being to take Christmas to those who need it most. The operation took place at two levels:
 - internal, with Carris presente collection points at depots and central services;
 - external, with the Company taking the Happiness Line to three points in the city (El Corte Inglés, Amoreiras and the Gare do Oriente), to collect donated goods.

On 17 December, the donations were handed in to the organisations concerned, the Banco de Bens Doados (an organisation and holding point for donated goods) and the charity Entrajuda.

• **The Band**



The Company's staff band was founded on 1 April 1929, and its main aim is the cultural development of its associates. It has statutory and financial autonomy, with income deriving from fees paid by its associates and revenue generated by its performances.

The Band currently has 2,074 associates, and is made up of 78 players, of both sexes and a range of age groups. There are 35 members of the Band itself, 32 in the choir and 11 in the light orchestra. The music school has 21 pupils, also both sexes and all ages.

Its new headquarters in Miraflores were officially opened on 18 September 2008, with the logistic and acoustic conditions needed for its museum activities and storage of its collections of instruments and documents. It also has a section devoted to its history in the Company's museum.

Among the most relevant milestones in its history are its performances at the official openings of the Amoreiras Complex, the Centro Cultural de Belém and EXPO 98. Another highlight was the concert in the Coliseu dos Recreios in Lisbon, in 1998, on the occasion of the launch of the project “Carris Uma Nova Imagem para o Novo Milénio” (Carris, a New Image for the New Millennium), in the presence of a 3,000-strong audience.

It has made 6 records/CDs (between 1982 and 2008) and it publishes a periodical newsletter for its associates.

During the year, it performed 38 concerts: 7 involving the Band itself, 6 involving the choir, 24 the light orchestra and one was the first given by the music school. A mention should be made here of the concerts given by the Band and the light orchestra as part of the Commemorations of the centenary of the Republic, and the choir’s participation in the II Encontro de Coros SSCML (the Lisbon City Council Social Services - Serviços Sociais da Câmara Municipal de Lisboa) - the 2nd Meeting of the SSCML choirs.

In terms of tradition regularly respected, the highlights include the annual concert dedicated to its associates, the Christmas concert (involving the Band) dedicated to the Company staff, and the annual Mass (with a performance by the choir) dedicated to associates who have passed away.

• The Sports Group

The Company sports group has been in existence since 1914, the aim being to provide facilities for the staff, associates and all their families to take part in healthy sports and leisure activities.

A number of sports and games are available, among them football, chess, athletics, hockey (on grass and indoors), handball, basketball and angling. The Group has around 250 members who take an active part. The main focus for the sports are the competitions organised by INATEL, although some athletes and teams are registered for official competitions in specific federations.

In terms of chess, the group accepted an invitation from the Lisbon Chess Association to put on the District Championships (Campeonato Distrital Absoluto), along with three sessions of the Lisbon Cup. This is a competition that brings together “young” people, aged from 8 to 80 to take part. These invitations are regarded as an honour, and have been addressed regularly to the Group. The events have always attracted a lot of interest from the Portuguese chess community.

The Group won the national championships (in the veterans category) in the INATEL National Championship for Track Events.



The indoor hockey under-18s team also came first in the National Championships for their category.

• The Christmas Tram

This year, the Company celebrated 30 years of the Christmas tram, where the Company gives a free Christmas ride to children. It is always full of surprise and unforgettable moments.



The 2010 event brought in around 8,000 children and it has now given rides to more than 200,000 since it started in 1980. It is one of the most striking of the Company’s actions in the field of social responsibility, part of the new corporate concept embodied in the catchphrase “CARRIS Presente”.

3.3. “BENCHMARKING” AND INTERNATIONAL RELATIONS

The Company continued to work through its institutional, operational and technical/professional relations, through the dedicated approach of its representatives in international organizations, committees and working groups where it is a member, among them:

- **CEEP** - “European Centre of Employers and Enterprises providing Public Services”, an intervention where the priority focus is on the committee handling “Local Enterprises”;
- **UITP** - “Union Internationale du Transport Public”, where the Chairman of the Company is a full member of the Policy Board, the main management structure of the organisation.

A CARRIS plays a role in a number of committees within the UITP:

- “Bus Commission”
- EBSF (“European Bus System of the Future”)
- “Light Rail Commission”
- “Sustainable Development Commission”
- “Transport Economics Commission”
- “Information, Technology & Innovation Commission”
- “Marketing and Product Development Commission”
- “Security Commission”
- “Human Resources Commission”
- “Corporate Management Commission”

CARRISTUR, a business combination, is a member of the working group “Seamless Mobility Platform - CAR SHARING”.

- **IBBG** - “International Bus Benchmarking Group” - the Company joined this working group on 13 November 2006, is organized and co-ordinated by a specialist team from Imperial College (London) and has provided a forum for sharing ideas and knowledge and for taking on board the practices and benefits stemming from the benchmarking methodology.

There are currently 13 members, and CARRIS is taken as a model in the working group.

- **MMG** - “Major Metropolises Group”, where the Company takes part, has as its mission to put pressure on the EU in terms of the legislative process on mobility and support the organisation of CEOs from the companies that are part of the Group.
- **COST / BHLS project** - “Cooperation in Field of Scientific and Technologic Research / Buses with High Level of Service” - the Company is represented here, and is a member of two of its working groups (WG 3 and 4).

3.4. ENVIRONMENTAL RESPONSIBILITY AND ENERGY POLICY

3.4.1. THE “BUYING GREEN!” PROGRAMME

The company has been including environmental criteria and considerations in the purchase of goods and services, with particular importance in the tender documents for vehicles. These demands have helped push suppliers into adopting these practices for their production lines and supplies.

This concern has already reaped its reward, with the company receiving a certificate of good practice in its environmentally oriented purchasing policy.

Always thinking about the future



carris.pt



3.4.2. ENERGY MANAGEMENT

• Premises

The Company has a vast amount of property in and around Lisbon, with the Miraflores complex being the most important. The conservation of that building follows the legislation in force regarding thermal performance and energy [Decree Laws 78, 79 and 80/2006] and the Resolution of the Council of Ministers no. 2/2011 - the ECO.AP programme.

The Company has a technical committee for energy management on its premises and since 2006 an array of actions has been undertaken to boost good practices in energy efficiency in this domain.

The committee works with the Company's logistics management (DL), and this is responsible for implementing and managing the work that has been set out. It also counts on the collaboration and hard work in various other areas of the Company's activities.

A number of actions were carried out during the year, the following being worth a mention:

■ Continued **improvement to lighting systems:**

- Replacement of fluorescents with magnetic lamp holders by electronic ones; progressive replacement of tubular TB lamps by T5;
- Introduction of illumination commands using sensors to detect movement and/or luminosity in areas of restricted or occasional use or with high amounts of power;
- A study on whether timers can be introduced in specific lighting circuits: the main junction box of the buildings and smaller boxes regulating floors, where these do not exist but are necessary, with the necessary work to be done at the start of 2011;

■ **An integrated system to manage energy, water and natural gas consumption** - the system is up and running, and has, since September 2010 been providing figures through an automatic count system. In order to be able to do this, it was necessary to put in 11 new meters for the secondary boxes and replace 8 meters, replace 11 water meters and bring some of the pipe work up to standard for current flows, and put in 6 new meters for natural gas. The Company's systems' manager, along with the service provider, is responsible for analysing consumption, putting out warnings and makes recommendations for actions.

■ **Energy certification for Company premises**

This process is now reaching a conclusion for the Miraflores complex, and will be handed in to the Oeiras Town Hall after approval of the project for changes to be made to the architecture.

The logistics manager has been finding prices for extension of the energy and internal air quality certification to the Company's other depots.

■ **IT equipment**

The Company has been looking for new solutions in this field, and has recently acquired low power equipment.

■ **Photovoltaic panels**

The technical committee has been making contacts with many bodies in the energy sector, with the aim of providing prospective scenarios for projects in this areas, as soon as there is a new system of incentives for the production of photovoltaic power - **in a mini-power generation scheme.**

A number of possible partners have been identified and have made a commitment to present proposals as investors, as soon as the legislation has been published.



■ **Solar panels**

Work is being done on repairing / improving or installing solar panels in the Company's depots and complexes.

In the Miraflores complex, work has begun already on putting out information for a tender for the replacement of existing solar panels (now obsolete) by certified thermal panels.

■ **The "GreenBuilding" partnership**

The Company aims to maintain its position as a "GreenBuilding" partner, extending it in fact to include other buildings in the Miraflores complex, through work on the measures included in the energy audit report carried out and subsequent check on the improvements introduced into the initial project or the previous situation.

The most recent example is the refurbishment of the building on the mezzanine of Nave 1 (workshop area) to take

the traffic command centre. The Company has already started a specific energy audit, with a view to submitting this project to the GreenBuilding programme, since all the necessary sustainability requirements are being met. There are novel aspects to the project, for example in the natural lighting, comfort and reduction of the needs for heating and cooling, brought about by a centralized AVAC system, with energy recovery.

The energy agency ADENE will be contacted in the first quarter of 2011 to start the application process.

• **Results obtained - 2010 as compared with 2006**

There was a **reduction in the consumption of electrical energy and emissions of CO₂** coming in at around **12.3%**. On top of this was the fact that improvements to air quality, comfort and working conditions had been achieved in the refurbished buildings.

CONSUMPTION OF ELECTRICAL ENERGY (kWh)

	2006	2007	2008	2009	2010	2010 vs 2006 (%)
S. Amaro	1 149 349	1 089 471	1 066 506	950 725	853 964	-25,7 %
C. Ruivo	333 188	299 565	306 986	379 667	394 734	+18,5 %
Pontinha	647 117	672 392	631 572	554 345	543 466	-16,0 %
Musgueira	842 698	848 731	840 483	834 275	833 600	-1,1 %
Miraflores	2 591 401	2 305 958	2 085 748	2 033 100	2 252 537	-13,1 %
TOTAL	5 563 753	5 216 117	4 931 295	4 752 112	4 878 301	-12,3 %

■ Vehicles / Transport Operations

The Company has continued to develop action plans in the areas of **energy management** in its **transport service**. It has fostered the rational use of energy, with particular emphasis on improvements in **energy efficiency**, control of environmental impact and a cut in the fuel bill.

Cuts have been achieved in the bill for energy (a factor which accounts for a large proportion of operating costs for transport operators - 18% in the Company's case), and a part has been played here by the renegotiation of energy supply contracts.

A description is given below of some of the major projects and measures that have been put in place during the year or are being developed. With these, the Company has been controlling and monitoring on a periodical basis the indicators that show energy consumption and pollutant and CO₂ emissions.

■ **Continuation of fleet renovation in the bus service:** during the year, 30 new articulated buses were acquired, to Euro 5 standard, that is, more efficient in energy terms.

■ **Assessment of state of repair / optimization of the drive train in certain sectors of the fleet:** the analysis was concluded; corrective measures are being taken.

■ Economic and Defensive Driving - Qualifications and Driver Performance

- There was on-going training through the course "Qualidade + no Serviço ao Cliente" (2006/2010) "Quality + in customer service", brought to a close in July, having taken in practically all the Company's drivers;
- Additional training course, whenever necessary;
- Redefinition of the procedures for inspectors travelling with crew;
- On-going training - Courses within the scope of the CAM (Certificação de Aptidão de Motoristas - the Drivers' Aptitude Certificate) - started in October 2010;
- The use of air conditioning and leaving the engine idling at route termini: further awareness raising and redefinition of procedures and controls.

■ Driving date management system - XTraN DRIVE - the Company developed this in conjunction with the company Tecmic. It is a system whereby drivers' performance can be monitored, and the pilot study began in January, with 40 new generation buses (20 medium + 20 articulated).

This system identifies the behavioural profile of the driver, picking up features which would be capable of improvement and possibly the need for accompaniment and/or training (performance at the driving wheel has a decisive influence in safety on the road, in operating conditions and maintenance costs, in comfort and the quality of service and energy consumption / environmental impact).

■ Conditions on the road - Control of bus lanes and parking: this has been carried out since October 2004, by teams - a company inspector and a municipal police officer - in Company vehicles.

■ Restructuring of the network - "REDE 7": the third phase was put into place in June (with an impact on the quality of service and in the ratios of energy consumption and emissions / PK).

■ Energy consumption - Buses

Consumption of diesel during the year was 20,833,734 ltrs, 2.8% less than in 2009. Average consumption of diesel was 56.3 ltrs / 100 km, while a year earlier it had been 57 ltrs / 100 km.

Average consumption of natural gas was 70.6 (N) m³ / 100 km (71.7 in 2009).

The service continues to be seriously handicapped by external issues - unfavourable road conditions, low commercial speed and levels of demand below what the Company would like it to be - there were falls in the gep/PK ratio - specific consumption of fuel per passenger x km - in the last two years (in 2009 it was 27.08 gep/PK and in 2010 it was: 26.44 gep/PK).

The average annual cost of fuel was around 19 million euros (up 12.8% year on year).

■ Energy consumption -Trams

Total energy consumption (traction plus losses) was 4,594,071kWh, a 1.8 % increase over the year before, when the figure was 2009 (4,511,627 kWh).

The average age of the tram fleet is 15 years, and the average consumption of electrical power stood during the year at 218.5kWh / 100 km.

Specific consumption of energy per passenger x km was 27.41gep/PK, lower than 2009, when it was 28.03 gep/PK.

Annual cost for acquiring energy for traction was around 404.3 thousand euros (down 14.2 % year on year), as a result of the renegotiation of the energy supply contract.

3.4.3. VEHICLES - DIVERSIFICATION OF ENERGY

A word should be said here for the work that the Company has carried out, through studies, dissemination, trials and use of alternative means of propulsion/fuel, among these being renewables, following the strategic objectives that have been set out, both at national and at community levels.

- Buses powered by compressed natural gas (GNC)

The Company has 60 buses powered this way (20 acquired in 2001, 20 in 2005 and another 20 delivered in the second half of 2009).

In the absence of a public network for the supply of natural gas, the Company continues to ensure the supply of a number of private vehicles (light and heavy) through a protocol involving also the Secretary of State for Transport, GalpEnergia and the Portuguese association for natural gas powered vehicles (the Associação Portuguesa de Veículos a Gás Natural - APVGN);

- Buses with a mixture of diesel and biodiesel - thermal propulsion of diesel: the average concentration of biodiesel to diesel is ≈ 7%;
- New generation hybrid buses - thermal propulsion of diesel / electric traction (currently entering the market): the Company is monitoring developments, and has slated trials while buses are on service in Lisbon during 2011.

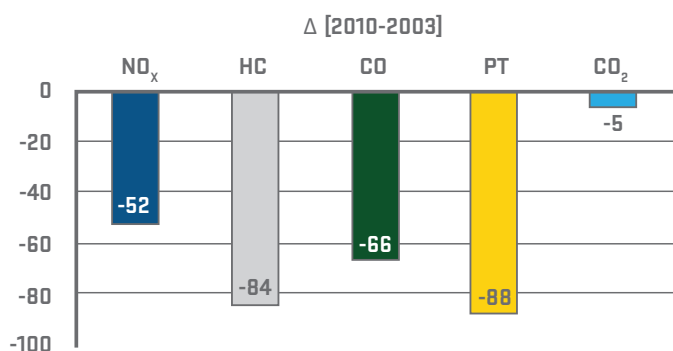
3.4.4. POLLUTANT AND GREENHOUSE GASES EMISSIONS

These emissions are detailed in the “2010 Indicator Grid - GRI 3 and specific to the transport sector”.

• **Fleet**

With the renewal of the public service fleet between 2004 and 2010, through purchase of 538 buses (≈ 70% of the fleet) average age of buses fell from 16.5 years to 6.7 years. This had a positive energy and environmental impact in terms of its transport operations.

The following chart shows the % move in emissions of pollutant gases and CO₂ (g/km), during the period from 2003 to 2010:



• **Fixed points**

The increasing use of water-based paint has led to considerable cuts in the emission of volatile organic compounds (VOC) into the atmosphere. (In terms of vehicles, the Company now demands in tender documents that similar paints be used on bodywork.)

On its premises, paint shops and boilers for producing steam and hot water are periodically monitored for gas emissions, following the guidelines of Decree Law no. 78/2004 and Executive Order no. 80/2006.

3.4.5. NOISE

Vehicles - the fleet renovation processes for Company buses has led to a fall in the average external noise of the fleet (older vehicles produce 85 dB(A); new vehicles produce 76 dB(A); the EC limit is 80 dB(A)), complying with the requirements defined in the legislation (Decree Law no. 19/2009).

Premises - measurement of propagated sound (external) is carried out periodically to ensure compliance with the General Regulation on Noise (Decree Law no. 9/2007, of 17 January).

The findings show that all operations on Company premises comply with regulations regarding environmental noise.

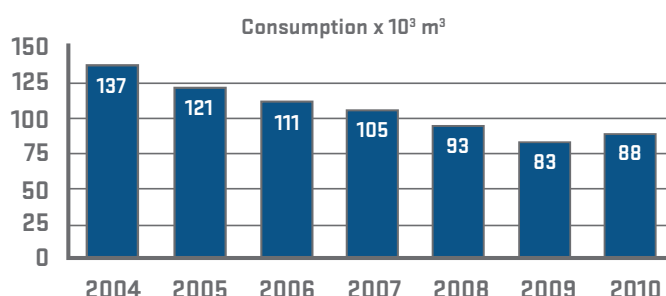
3.4.6. WATER MANAGEMENT

Water is a scarce resource, and there is a big potential for reduction in the level of consumption.

During the year, water consumption, including water from wells rose by 2.7% year on year. This increase stems from problems in the Cabo Ruivo complex including leak, occurring in the first quarter; after repairs, consumption figures were back to normal, but the situation caused additional consumption of around 9,000 m³.

Overall, if the situation described had not occurred, the variation in consumption would have been down 4.5% year on year.

The variation in consumption from the public water supply can be seen in the chart below:



3.4.7. WASTE MANAGEMENT

The Company accepts the commitment set out in its policy for quality, safety and the environment in terms of waste that is produced, and it continued to raise awareness so as to ensure ever more efficient separation of waste.

Actions included making proper recipients available for selecting waste in administrative areas. These are duly labeled and define good practice in terms of separation. There has also been information distributed through e-mail and on paper. The actions were extended to include a number of suppliers, specifically those related to vehicle maintenance and the cleaning of premises and vehicles. These actions included placing proper recipients for selection of waste collection in administrative areas, duly identified by a tag, acting as a reminder of good waste separation procedures. Information on this was also circulated, both on paper and in e-mails. Other actions involved service providers, specifically those involved in cleaning premises and transport.



3.4.8. LIQUID EFFLUENT MANAGEMENT

During the year, investment continued in consolidation of cleaning routines and maintenance of equipment used for treatment of liquid effluents on the premises (decanter/separators of hydrocarbons and fats), along with better use of equipment and fixtures, with a view to improving the quality of discharges and strict compliance with regulations in force.

4

GRI INDICATORS GRID





GRI INDICATORS GRID 2010

GRI 3 + SPECIFIC TRANSPORT SECTOR

VISION AND STRATEGY			
Code (GRI)	Description	Page	Results/ Comments
GRI 1.1	Statement of the vision and strategy of the organisation in terms of its contribution to sustainable development	6	
GRI 1.2	Message from the Chairman	2	
ORGANISATIONAL PROFILE			
Code (GRI)	Description	Page	Results/ Comments
GRI 2.1	Name of the organisation	1	Companhia Carris de Ferro de Lisboa
GRI 2.2	Main products and services	7-9	Urban public transport
GRI 2.3	Operational structure	7	
GRI 2.4	Head office	42	Rua 1º de Maio 103 - 1300-472 Lisboa
GRI 2.5	Countries where it operates	6	
GRI 2.6	Nature and legal form		plc with public capital
GRI 2.7	Markets	6	
GRI 2.8	Size and organisation	6,7,20-23	
GRI 2.9	Changes in structure and shareholding during the period	7	
GRI 2.10	Awards received during the period	26	
REPORT PARAMETERS			
Code (GRI)	Description	Page	Results/ Comments
GRI 3.1	Period covered by the Report		Fiscal 2010
GRI 3.2	Date of the most recent Report before this		Fiscal 2010
GRI 3.3	Reporting cycle		Annual
GRI 3.4	Contact point for clarification of the Report		E-mail:provedor.cliente@carris.pt

STRUCTURE OF GOVERNANCE, COMMITMENTS AND MANAGEMENT SYSTEMS				
Code (GRI)	Description	Page	Results/ Comments	
GRI 4.1	Structure of Governance	7		
GRI 4.2	Indicate whether the Chairman is also the CEO		n.a.	
GRI 4.3	Percentage of independent and non-executive members of the Board		n.a.	
GRI 4.4	Mechanisms for Board recommendations		n.a.	
GRI 4.5	Relationship between the compensation of the Board and organisational performance			
GRI 4.6	Processes in place to avoid conflicts of interest			
GRI 4.7	Processes relating to the Board of Directors			
GRI 4.8	Mission and values. Internal codes of conduct	6		
GRI 4.9	Board procedures for assessing sustainability performance		"BSC application - periodical control of performance indicators ; measures in herent in monitoring the SGI and the supply of transport services (including internal and external audits as part of Company certification); entry for awards / participation in barometers / scorings / UITP working groups related with sustainability in all its aspects; management contract with control of objectives that are set."	
GRI 4.10	Processes to assess economic, environmental and social performance	11, 12, 20, 29-33		
GRI 4.11	Explanation of the precautionary principle (for instance, risk management for new products)		n.d.	
GRI 4.12	International charters	11		
GRI 4.13	Most important membership of industrial and business associations	11,29	The Company is a member of the UITP, CEEP, BCSD and COTEC, among others.	
GRI 4.14	Stakeholder engagement			
GRI 4.15	Basis for identifying and selecting stakeholders with whom to engage		n.d.	
GRI 4.16	Ways of consulting stakeholders		n.d.	
GRI 4.17	Main issues raised by stakeholders and measures adopted		n.d.	
INDICATORS OF ECONOMIC PERFORMANCE				
Code (GRI)	Description	Page	Results/ Comments	
GRI EC1	Direct economic value generated - net sales	20	80 266 905,27 €	78 309 102,62 €
GRI EC2	Financial implications deriving from climate change		Available in the Company's Annual Report 2009	Disponível no Relatório e Contas 2010 da CARRIS
GRI EC3	Cover of defined benefit plan obligations		n.d.	n.d.
GRI EC4	Significant financial assistance received from the government	20	55 066 889,62 €	55 484 552,79 €
GRI EC6	Policy, practice and proportion of spending on local suppliers		n.d.	n.d.
GRI EC8	Development and impact of infrastructure investments and services provided primarily for public benefit		Available in the Company's Annual Report 2009	Disponível no Relatório e Contas 2010 da CARRIS
INDICATORS OF ENERGY AND ENVIRONMENTAL PERFORMANCE				
Code (GRI)	Description	Page	Results/ Comments	
GRI EN1	Total consumption of materials by type			
	Paper		14,8 t	15,8 t
GRI EN2	Percentage of waste materials used		n.d.	n.d.

GRI EN3	Direct energy consumption by primary energy source	30-32		
	Premises:			
	Electrical energy		5 207 865 kWh / 1510 tep	5 378 309 kWh / 1560 tep
	Natural gas		65 940 Nm ³ / 54 tep	72 463 Nm ³ / 59 tep
	Total (1)		1564 tep	1619 tep
	Transport operations:			
	Diesel - buses		21 431 271 L / 18700 tep	20 833 734 L / 18179 tep
	Natural gas - buses		1 611 681 Nm ³ / 1322 tep	1 895 134 Nm ³ / 1554 tep
	Sub -total buses (2) / Ratio		20022 tep / 27,08 gep/PK	19733 tep / 26,44 gep/PK
	Electrical energy - Traction / trams (3)		4 511 627 kWh / 1308 tep	4 594 071 kWh / 1332 tep
	Ratio		28,03 gep/PK	27,41 gep/PK
	Total (2) + (3) / Ratio		21330 tep / 27,13 gep/PK	21065 tep / 26,50 gep/PK
GLOBAL CARRIS (1) + (2) + (3)		22 894 tep / 29,12 gep/PK	22 684 tep / 28,53 gep/PK	
GRI EN4	Indirect energy consumption		n.a.	n.a.
GRI EN5	Variation in consumption compared with previous year	30-32		
	Premises:			
	Electrical energy		- 192 427 kWh [-3,6%]	+ 170 444 kWh [+3,3%]
	Natural gas		- 7 686 Nm ³ [-10,4%]	+ 6 523 Nm ³ [+9,9%]
	Transport operations:			
	Diesel - buses		+ 529 826 L [+ 2,5%]	- 597 537 L [-2,8%]
	Natural gas - buses		- 933 Nm ³ [-0,06%]	+ 283 453 Nm ³ [+17,6%]
Electrical energy -Traction / trams		+171 037 kWh [+3,9%]	+ 82 444 kWh [+1,8%]	
GRI EN6	Supply of products and services that are energy efficient or based on renewable energy		n.d.	n.d.
GRI EN7	Initiatives to reduce indirect energy consumption and results achieved		n.a.	n.a.
GRI EN8	Total water withdrawal by source	33		
	Public network -		82 242 m ³	88 008 m ³
	Underground sources -		44 410 m ³	42 043 m ³
GRI EN16	Greenhouse gas emissions (GEE)	32,33		
	Premises:			
	Electrical energy [* production + distribution]		2 015 t CO ₂	1 947 t CO ₂
	Natural gas [** use]		140 t CO ₂	154 t CO ₂
	Transport operations:			
	Diesel - buses [**] (includes biodiesel)		54 304 t CO ₂ ≈ B 4,2	51 759 t CO ₂ ≈ B 7
	Natural gas - buses [**]		3 417 t CO ₂	4 018 t CO ₂
	Sub - total buses / ratio [**]		57 721 t CO ₂ (78,1 gCO ₂ /PK)	55 777 t CO ₂ (74,7 gCO ₂ /PK)
Electrical energy -Traction / trams [*]		1 746 t CO ₂	1 664 t CO ₂	
GRI EN18	Initiatives to reduce greenhouse gas emissions	30-33		
GRI EN19	Emissions of ozone-depleting substances		n.a.	n.a.

GRI EN20	Significant air emissions by type	33		
	Fixed sources - COV (DL n° 173/2008)		16 t	13 t
	Buses in public service - average / km:			
	Oxides (NOx)		12,45 g/km	11,00 g/km
	Unburned hydrocarbons (HC)		0,64 g/km	0,46 g/km
	Carbon monoxide (CO)		1,28 g/km	1,18 g/km
	Particles (PT)		0,28 g/km	0,19 g/km
	Carbon dioxide (CO2)		1 449 g/km	1 407 g/km
GRI EN21	Total liquid effluents	33	122 100 m ³	123 121 m ³
GRI EN22	Total waste by type and method of treatment - excluding collections by municipal services	33		
	· Hazardous non-clinical waste			
	Accumulators		9,6 t	17,1 t
	Water and oily waste		477,6 t	736,8 t
	Contaminated cleaning rags and diesel/oil filters		41,9 t	30,7 t
	Antifreeze		5,7 t	2,2 t
	Fluorescents		0,7 t	0,7 t
	Used oils		70,5 t	72,4 t
	Solvents		0,8 t	0,2 t
	End-of-life span vehicles		592,5 t	511,4 t
	Others		0,5 t	0,1 t
	· Non-hazardous waste			
	Scrap metal		30,3 t	29,4 t
	Glass		12,4 t	20,8 t
	Break pads		7,5 t	9,2 t
	Rubber		11,6 t	11,4 t
	Paper and cardboard		13,1 t	9,1 t
	Wood		22,9 t	36,4 t
	Rubble		645,8 t	188,0 t
	Biodegradable garden waste		77,2 t	57,3 t
Unseparated waste		83,4 t	78,6 t	
Others		12,8 t	17,8 t	
GRI EN26	Initiatives to lessen environmental impact of products and services	30-33		
GRI EN28	Incidents or fines for non-compliance with declarations, conventions, international treaties, national, regional and local legislation on environmental matters		n.a.	n.a.
GRI EN29	Significant environmental impacts from transport of products and other goods and materials used in operations		n.d.	n.d.
GRI EN30	Total expenditure and investment on the environment, by type	33	(deducted from revenue)	
	Waste management		321 178,42€	266 465,78 €
	Liquid effluents (monitoring)		4 459,80€	3 752,53 €

INDICATORS OF SOCIAL PERFORMANCE				
Code (GRI)	Description	Page	Results 2009	Results 2010
GRI LA1	Total workforce, by type of job, type of labour contract	23	At year-end, the company had 2761 staff	At year-end, the company had 2771 staff
GRI LA2	Creation of employment and turnover rate, by age, gender and region	23	Admission policy, especially for crews, has quality of service and high levels of safety as its main objective, attempting also to ensure and adequate number of staff for efficient running of operations	
GRI LA3	Benefits for full-time staff not provided for temporary or part-time staff	23-25		
GRI LA4	Percentage fo staff unionized	23	90,40%	89,30%
GRI LA7	Absentee rate	23	Global = 5,4% (2,6% for illness) – More detailed information in the Annual Report	Global = 5,5% (2,2% for illness) – More detailed information in the Annual Report
GRI LA10	Average number of hours training per year, per employee and per category	24	63 784 h de formação, abrangendo um total de 1 635 colaboradores	64 067 h de formação, abrangendo um total de 1 522 colaboradores
GRI LA12	Percentage of staff who receive periodical assessment of performance and carreer progression		87,18%	87,54%
GRI LA13	Proportion of men/women and other indicators of appropriate cultural diversity	23	2521 / 240 (91,3% / 8,7%)	2525 / 246 (91%/ 9%)
INDICATORS OF SOCIAL PERFORMANCE: Human rights				
Code (GRI)	Description	Page	Results/ Comments	
GRI HR1	Impacts on human rights		Code of conduct	
GRI HR2	Percentage of suppliers and companies with contracts screened for human rights		n.d.	
GRI HR4	Policy and procedure or programmes that prevent discrimination		No incidents registered	
GRI HR5	Freedom of association	23	Il comppany staff have the right to freedom of association including unionization	
INDICATORS OF SOCIAL PERFORMANCE: Society				
Code (GRI)	Description	Page	Results/ Comments	
GRI S01	Impact on communities	20-22, 25-29	For more than a century, the Company has played a decisive role in fostering culture in the city of Lisbon and in developing a common collective memory for all local people bu also for those who pass through the capital and use the public transport system	
GRI S02	Percentage and total number of business units subject to analysis for risk of corruption		n.a.	
GRI S03	Percentage of staff receiving training in anti-corruption policies and practices		n.a.	
GRI S04	Measures taken in response to corruption		n.a.	
GRI S08	Amount of fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations		n.a.	

INDICATORS OF SOCIAL PERFORMANCE: Responsibility regarding the product			
Code (GRI)	Description	Page	Results/ Comments
GRI PR1	Policies geared to customer health and safety	20-22	The improvement in conditions of access, safety and comfort for customers has been consolidated with the fleet renovation process, monitoring driver performance and new video surveillance systems
GRI PR3	Information on product and labels	16, 17	SAEIP and SIP Information relating to the service, available at stops and on-board
GRI PR5	Customer satisfaction	22	The annual customer satisfaction survey follows the ECSI "European Consumer Satisfaction Index" model
GRI PR6	Observance of laws, norms and voluntary codes relating to marketing, including advertising, promotion and sponsorship	6, 11	Commitment to the customer with a policy of Quality, the Environment and Safety. The company takes part in the UITP committee for developing products and marketing and it is also associated with APCE - Associação Portuguesa de Comunicação de Empresa.
GRI PR8	Complaints received relating to customer privacy violation		The company complies rigorously with legal statutes relating to the protection of personal data, as part of the use of the ticketing systems and the video surveillance in all services that it operates. There have not been any complaints on this issue.
GRI PR9	Amount of fines for non-compliance with laws and regulations relating to the supply and use of products and services		n.a.

OPERATIONAL INDICATORS

Description	Page	Results 2009	Results 2010
Vehicles - Average age (31 Dec)	12, 32		
- Buses		6,3 anos	6,7 anos
- Trams		14 anos	15 anos
Buses - Types	7	752	752 a)
		a) 29% Euro 2 + 51% Euro 3 + 5,3% Euro 4 + 12% Euro 5 + 2,7% EEV	
• Minis		36	36 Euro 3
• Medium		20	20 Euro 4
• Standard		606	606
- Diesel		549	549 161 Euro 2 + 348 Euro 3 + 40 Euro 5
- Natural gas		57	57 17 Euro 2 + 20 Euro 4 + 20 EEV
• Articulated		90	90 40 Euro 2 + 50 Euro 5
Trams - Type	7, 8		
- Light historical		39	39
- Articulated		10	10
- Reserve		8	8
- Tourism		10	8
Funiculars		6	6
Lifts		2	2
Passengers carried on buses	7	221,5 million	220,6 million
Passengers carried on trams	8	19 million	20 million
Intensity of traffic - busesu vehicles x km)	20	39 585 640 km	39 377 629 km

Intensity of traffic - busesu vehicles x km)	20	1 991 455 km	1 998 734 km
Intensity of traffic - trams (vehicles x km)	7	670 km	678 km
Extens of bus network	7	48 km	48 km
Extent of tram network	21, 22	3106	3647
No. of incidents during operations	21	1737	1602
No. of accidents during operations	22	2124 complaints relating to service and 957 relating to staff	2101 complaints relating to service and 933 relating to staff
No. of complaints from customers	22	6,1 days	5,3 days
Load factor	7, 8		
Buses		20,8%	21,1%
Trams		24,3%	25,1%
BUS lanes (km and %)]	7	74,8 km total bus network (11,2%)	73,8 km total bus network (10,9%)
ISC - Customer satisfaction index	22	65,1%	67,7%

Key: GRI - "Global Reporting Initiative" ; n.a. - not applicable ; n.d. - not available (n.d. in Portuguese abbreviation)

The Company used the “Global Reporting Initiative” - GRI 3 methodology for its Sustainability Report, though focusing also on the concerns, challenges and objectives for the transport sector.

The accuracy of its contents is ensured by detailed and rigorous information and a systematic monitoring of the activity and corresponding performance indicators, using:

- Measures to monitor the Quality, Environment and Safety Management System and the supply of transport services, including internal and external audits as part of the certification of the Company;
- An annual audit of the accounts and administrative procedures, undertaken by an outside company (Deloitte);
- Random inspections by the ministries and Tribunal de Contas (State Audit Council);
- Commitments to sustainability, pledged, for example, through the UITP and the line ministry (management contracts, with control of set objectives);
- Application of the BSC - “Balanced Score Card” - a periodic analysis of indicators with senior management.

EDITION AND REVISION

CARRIS - Companhia Carris de Ferro de Lisboa S.A

LEGAL DEPOSIT

88549/95

DESIGN AND ARTWORK

Nossa™

ICL/DIV23/2011/0



Main Office

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