

7. Passenger Relations

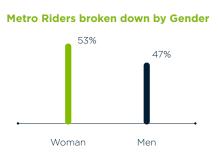
[G4-DMA] Every day we provide a means of transportation to 2.3 million people in the City of Santiago. In fact, this figure increases to 2.4 million passengers in certain months when demand is highest. Each ride involves a great deal of responsibility that Metro fully accepts. Behind our operations are teams of individuals working hard every day to raise our standards in terms of quality and services with a view to deliver our passengers a satisfactory riding experience.

7.1 Our Passengers

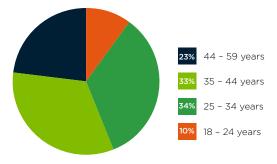
When we analyze the profile of our senior riders, we can see that in 2016 most of these passengers were female (53% of riders, up 5% from 2015). We have also observed that the 25-34 and 35-44 age groups are the two rider groups that use our services the most, accounting for 34% and 33% of total ridership, respectively.

In terms of socioeconomic groups, group C3 uses the Metro network the most, accounting for 33% of total ridership, followed by segment D – E, at 29%.

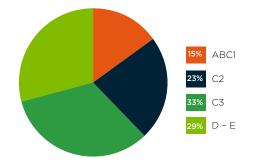




Metro Riders broken down by Age Group



Metro Riders broken down by Socio-Economic Group



7.2 Operational Balance

The following consists of a few figures to summarize our 2016 administration.

Ridership

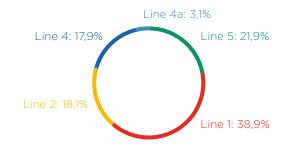
Distribution of Ridership Broken down by Time of Day

Total 670 million passengers in 201		100%
rides during peak hours	205.523.971	30,7%
rides during off-peak hours	464.549.156	69,3%

Distribution of Ridership Broken down by Type of Ride

full fare	69,6%
discounted fare	30,4%



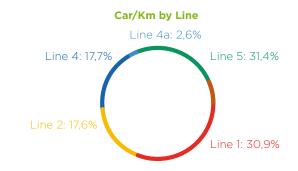


Kilometers Covered by Cars

The total number of car/kilometers (Car/km) covered in 2016 dropped slightly in keeping with real demand during off-peak hours.

2016 Total Car/Km

2016	34.866 Car/km
2015	137.777 Car/km



Incidents Lasting More than Five Minutes

We assess all failures affecting the operational continuity of our services in accordance with two criteria, e.g.: incidents caused by internal or external factors. The following is a summary of the 2016 incident report.

Incidents Caused by External Factors

In 2016 we recorded a total of 126 incidents caused by external factors. The main causes were related to users on the tracks and passengers' health problems.

Incidents Caused by Internal Factors

In 2016 we had a total of 160 incidents caused by internal factors—10% fewer incidents than 2015. The main causes were blocked trains (18.1%) and problems with door systems (17.5%).

666

The total annual number of hours of interrupted services caused by internal factors was 32 hours and 48 minutes. It is worth noting that in 2016 there were 79% fewer interruptions caused by electrical equipment failures.

Type of Incident	Number	Time	2016 vs. 2015 Time Difference
Trains Blockages	29	4:04:30	33%
Door Systems	28	3:30:22	-29%
Energy and Systems	21	7:53:28	28%
Mechanical Failures - Bogie	17	2:07:44	13%
Control and Command	13	2:04:37	-11%
Traction – Breaking	9	4:29:40	47%
Electrical Equipment	3	0:33:26	-79%
Automatic Pilot	3	0:19:00	10%
Other Incidents	37	7:45:15	-36%
Total	160	32:48:02	-10%

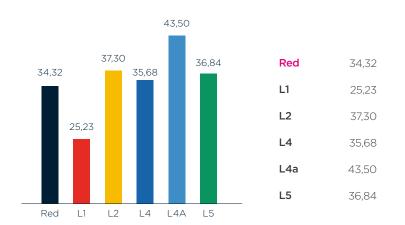
Types of Internal Incidents (%)



Commercial Speed

The average commercial speed during network peak hours barely changed when compared to 2015. In fact, in the second half of 2016 Line 1 underwent an 8% increase

in its average commercial speed due to the rolling out of the CBTC system, which in turn allowed the rest of the network to run smoothly.



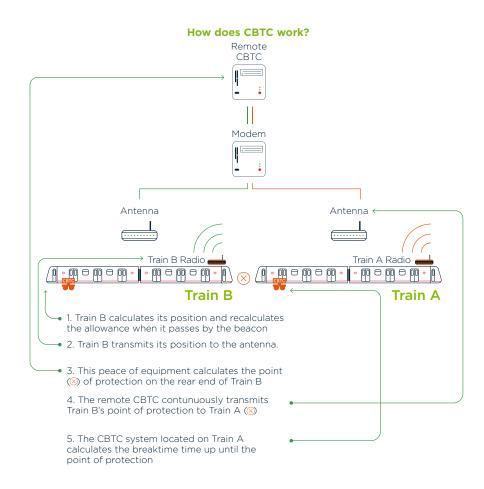
7.3 Operational Improvements to Our Service

Our ability to provide our customers with better quality services is dependent on ongoing investments in more reliable, convenience and comfortable rides. As a result, we launched several measures in 2016 aimed at boosting our transport supply in order to give our users a better riding experience.

Debut of CBTC

In July 2016 Metro rolled out a key project in creating a better riding experience. The Communications Based Train Control (CBTC) system provides Metro with a means to control operations more efficiently. We are the second Metro in all of South America to implement this technology (second only to Sao Paulo, Brazil), which produce significant advantages such as shorter time intervals between trains, resulting in a higher train frequency.

As a result of this new technology, we have boosted our transport capacity by 12% on the network's most highly travelled section and time slot, which is equal to approximately five million passengers per peak hour.



Air Conditioning on Trains

In 2013 we set a target of installing air conditioning on all Line 1 trains in order to provide users with a better riding experience. In 2014 we began operating our first refurbished train, and then, three years later -in March 2016-, we completed the process by installing AC on the 15 NS93Alstom trains. We repeated this process in September when we installed AC on the entire CAF NS07 fleet (a total of 34 trains), resulting in a total of 49 AC-equipped trains on Line 1.

Integrating NS16 Trains

In 2011 we announced a project aimed at modernizing our NS-74 trains as part of an investment plan aimed at improving the quality of our services. The goal of the initiative was to prolong the service life of the cars by 20 years and make some design improvements on the trains. However, while carrying out the pilot project the company decided that it was not feasible to continue moving forward with the original project concept because of safety, schedule and cost related issues.

As a result, we have been working on a different solution that will create value for the investment already made by Metro. The Company has reached an agreement with the contractor Alstom to assemble in Chile, for the first time ever, 245 rubber tire cars for Lines 2 and 5.

Assembly will begin in mid-2017 on the 35, seven-car trains that will replace the oldest trains in the network. These trains will run on Lines 2 and 5 and will have air conditioning, aisles for passenger circulation, and a series of improvements that will enhance the riding experience of our users. One of the new features of this operation is that this is the first time trains will be assembled in Chile. For this purpose Metro built a Train Integration and Assembly Workshop, equipped with cutting-edge technology, at its Neptuno Workshop

7.4 Communication with Passengers

[G4-DMA] [G4-PR4] This year we expanded our direct passenger communication strategy by focusing particularly on social media which has enabled us to improve both the quantity and quality of information we are able to convey to our passengers before and while commuting.

Metro service information is one of the aspects our passengers have said they value the most and that is pertinent to their entire riding experience. In fact, this information is corroborated by the customer satisfaction survey we conducted in which "available information" was cited as one of the best evaluated dimensions of service, with a 84% of satisfaction, followed by "customer education" (86%), "easy to get around" (84%) and "cleanliness" (88%).

That is why we have rolled out a multi-channel communications strategy that addresses the most important moments of our customers' rides. The goal is to provide useful, clear and timely information.

Accordingly, we have set up several different passenger communication channels in order to cover all communication requirements, such as:

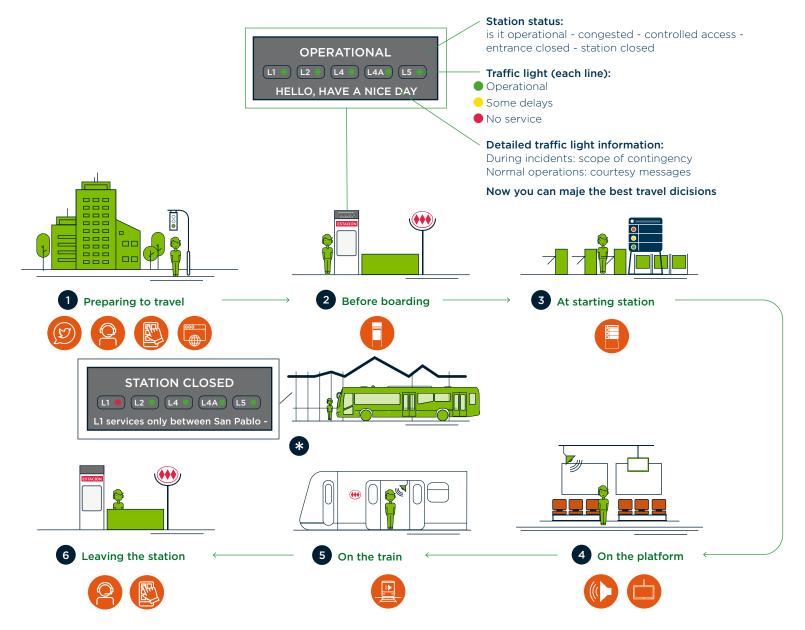
• Twitter: we're actively involved in social media through our Twitter account @metrodesantiago by way of which we convey relevant, real-time, useful information directly to our users on the public transit system. We are constantly interacting with our followers. This is largest service account in Chile with more than 1.4 million followers, ranking 19th at national level.. Account membership grew by 40% from April to December 2016.

@MetroDeSantiago 1.411.547 Followers

- Entrance Screens: we have 74 screens installed at the entrances of 18 stations. The purpose is to broadcast information on service status before our passengers enter the network. This is especially important in the event of emergencies affecting normal travel times because passengers are able to make decision about whether they wish to continue their trip or not before entering Metro.
- Platform Screens: we have installed screens along the platforms to publish the ETA of arriving trains, the color of the route, and the number of cars in arriving trains, in addition to public announcements regarding changes to regularly scheduled services.
- Mobile Applications: provide instant network updates, tell you where the closest station is located, which services are available nearby, help you plan your trip, etc. There were 93 million downloads of this app in 2016.

Useful, clear & timely information for every moment of your trip

You will receive real-time information before paying your fare and boarding the train



						T			
	Train PA System	Station PA System	Platform Screens	Access Screens	Station Panels	Social Media	Call Center	Mobile App	Website
NETWORK AND LINE SERVICE AVAILABILITY									
SERVICE INTERRUPTIONS									
QUESTIONS									
STATION SERVICE STATUS									
ESTIMATED TRAVEL TIME									
REAL TIME TRAIN ARRIVAL UPDATES									
AREAS OF INTEREST NEAR STATION									

We offer many alternatives for you to access information at any time during your ride:

Information Flow





7.5 More Benefits for Seniors

Seniors rode the network close to 33 million times in 2016, amounting to 5% of all rides. We want each and every one of these rides to be beneficial for our senior customers, which is why we have launched a series of initiatives aimed at expanding senior subsidies.

In February 2016 we expanded our discounted senior rate to all hours of the day, even during peak hours; and in June we rolled out a new online registration site. These and preexisting benefits are examples of how we now provide a variety of different ways for seniors to access benefits. In 2016, 157,003 new users signed up on online platform, 30% more than 2015, which were only 120,752.

These measures have proven to be quite successful since the number of trips carried out by seniors in 2016 is 11% greater than in 2015.



7.6 Universal Access

Using mass transit to better integrate Santiago residents is part of our corporate values and mission. This does not merely entail expanding our services to more districts or our benefits to more residents; it goes beyond that and refers to providing transit services that are accessible by all, that make it easier for reduced-mobility passengers to get around, and that make Santiago a more livable city.

In this regard, we have progressively built stations that are increasingly more accessible by reduced-mobility passengers by installing elevators, paths for the seeing-impaired, preferential seating, and train door closing devices that can be heard and seen, in addition to other improvements.

We are currently in the process of rolling out our Universal Access Plan, which consists of installing elevators at 28 stations throughout the network that do not have elevator access at present.

On Line 1, for example, in 2016 we began installing elevators at the Neptuno station, followed by El Golf and Alcántara. Next in line are San Alberto Hurtado, Universidad de Santiago, Unión Latinoamericana, República, La Moneda, Santa Lucía, Pedro de Valdivia, and Estación Central stations.

Elevators will also be installed on Line 2 in 2017 at the Parque O´Higgins, Toesca, El Llano, Lo Ovalle, Lo Vial, Departamental and Santa Ana stations.

We will begin construction on elevators along the following Line 5 stations: Bellas Artes, Parque Bustamante, Santa Isabel, Rodrigo de Araya, Carlos Valdovinos, Camino Agrícola, San Joaquín, Pedrero, Mirador and Santa Ana.

In summary, with all the aforementioned plans we expect to have the Metro network equipped with elevators in 2018 in order to facilitate the commute of our reduced-mobility passengers.

7.7 Bip! Card Purchasing and Recharging Network



Expanding Our Card Recharging Network

Our Payment Methods Management division manages the bip! Card-recharging network used throughout the Santiago public transit system. We took over this task after having signed a contract with the Ministry of Transportation and Telecommunications for administrating card issuing services, post-sales, and sales network operations for the entire Santiago Passenger Mass Transit System.

In keeping with the above, we are responsible for printing and selling bip! cards at all bricks-and-mortar and remote points of sale, the former consisting of all Metro ticket counters and street level recharging centers.

New bip! Points of Sales

In order to expand coverage of the bip! Card-recharging network at Metro we have entered into several agreements with the private sector so as to multiply and diversify street-level card recharging alternatives.

Along these lines, in 2016 we signed agreements with several retail associates, such as:

- We added 405 new bip! Card-recharging points at various businesses located throughout 43 districts in the Metropolitan Region.
- Our partnership with Wal-Mart resulted in 71 new bip! Card recharging centers located throughout the Ekono supermarket chain.
- Customers can now reload their bip! cards 24 hours a day at 29 Shell service stations.
- We also added 13 more recharging centers at Ok Markets, which enabled us to service our customers in previously unserviced areas such as Ciudad Empresarial.

All in all, in 2016 we added 520 new points to our network, amounting to a 24% increase in the size of our street-level recharging network.

Metro as a Prepayment Method Institution

In 2016, a milestone law was passed allowing non-banking institutions (including Metro) to issue and operate methods of payment with fund provision. The main purpose of this legislation was to promote financial inclusion and restrict the use of cash. We are quite sure that this will bring many benefits to Chile, especially to groups within society who have limited access to the banking industry.

Why Metro? Because we specialize in managing large volumes of small amount transactions, which are typical for prepayment methods. In fact, there are five million active bip! Cards on the market today. These are used to carry out more than 1.7 billion transactions (card recharging and card usage). Moreover, over 70% of our bip! card users fall within the C3-D-E socioeconomic groups, which are precisely those individuals who are excluded from the traditional financial system. In other words, we have experience in methods of payment and understand our target audience.

7.8 Services and Riding Experience

[G4-DMA] [G4-PR5] At Metro we understand how vital it is for us to listen to our customers and measure our results if we aim to provide a better riding experience. That is how we will be able to determine where there is room for improvement and how to best refine our attention.

Every now and again we work with an outside company to conduct satisfaction surveys in which we ask our users about various aspects of our services. The findings are shared with and processed by several areas with a view to making improvements.

The 2016 GfK Adimark survey revealed a 58% average annual net satisfaction rate, with particular emphasis on performance during the last few months of the year where one could clearly see a notable increase in satisfaction indicators. This broke the monthly trend we saw throughout the year. Moreover, starting in August there was a clear upward swing in the customer satisfaction rate, which hit its highest level in four years at net 73%.

Net Average Satisfaction:

58%

This positive upswing was partly due to a drop in the percentage of customers stating that they had experienced an interruption in their regular services (from 29% in August to 8% in December); the latter may have been leveraged by fewer operational incidents and the implementation of CBTC which brought up satisfaction (70%) and encouraged customers' good perception of regular services (64%) on Line 1, in addition to other events that boosted customer satisfaction during peak hours (66%). All of the above constitute indicators that are usually closer to a net 50%, which is why better figures in these categories bring about overall better results.

This year we wanted to go a step beyond measuring satisfaction, and assess the service quality provided at our Customer Service Offices, for the first time ever, where especially trained people answered user questions and managed their complaints. In 2016, our CS offices processed a total of 243,144 requests, constituting a 12% increase over the previous year. In terms of the satisfaction level, the most recent measurement taken in August 2016 showed a 70% net satisfaction rate for services rendered at these offices.

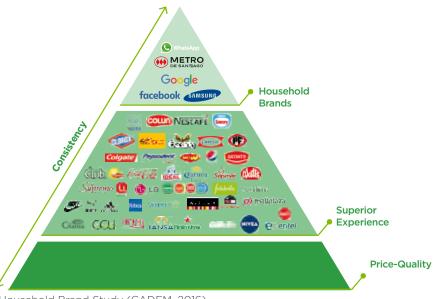
70% Net Satisfaction with Customer Service Offices

A Household Brand

In 2016, CADEM conducted a market study on household brands in order to determine how certain brand names common to our everyday lives are perceived by the community. One of the study's main findings was that Metro is considered to be one of the leading household brands that has open and straightforward communication with citizens on social media.

These findings justify the path we have already taken by designing a management strategy based on quality services and better riding experience for every passenger, not to mention the role we play as a state-owned company in fostering culture; providing opportunities for integration and citizen participation; and implementing and promoting measures that take into consideration the environment and our operations' surroundings.

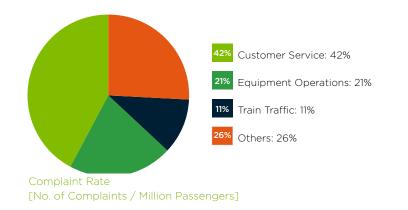
However, this also constitutes a noteworthy commitment and challenge for us since we must adapt to an ever-changing sociocultural context and adjust to our users' demands and expectations.



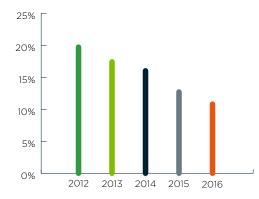
Household Brand Study (CADEM, 2016)

Managing Our Users' Complaints

On a positive note, we can report a drop in the percentage of complaints lodged in 2016. A total of 7,210 complaints were filed per million passengers. Said complaints are primarily related to customer service (42%) and train operations (26%).



As seen in the graph, the complaint rate has steadily declined from 2012 to date:



Line 4 has the highest complaint rate at 13.2%, followed by Line 4A at 11.1%. The lowest complaint rate corresponds to Line 2 at 8.5% for every one million passengers.

7.9 Safety

[G4-DMA] [G4-PR1] Passenger safety is critical to us, which is why we work hard at securing it. In 2016 we adopted several measures aimed at reducing assault and crime rates.

We Encourage Self-Care as a means to Prevent Accidents on the Network

At Metro we have launched a Safe Customer Program consisting of accident prevention measures. In addition to this program we also launched Project Safety in 2016, which involved conducting a review of good practices followed by other Metros around the world (for replication in Chile), as well as the best practices we carryout here. As a result of both measures we have significantly reduced the number of accidents recorded in recent years. The program consists of the following activities:

- Monthly follow-up and monitoring of customer accident rate
- Identifying critical areas where the highest number of accidents occur and investigating their causes.
- Defining and controlling safety standards
- Training operational personnel at critical stations, placing emphasis on certain accidents such as passengers' hands getting stuck in doors while getting off trains and users falling down stairs leading to platform.
- Conducting safety inspections at stations that have higher accident rates and checking footpaths, handrails, central lighting, hazardous areas, uneven surfaces, etc.
- Holding safe habit campaigns to correct customers unsafe behaviors (on stairs, escalators, train doors)
- Training and educating our more accident-prone customers.
- Making improvements such as replacing handrails and stairs that do not meet code (because of height and width standards on handrails and step linings on stairs).
- Painting platform edges and critical escalators (to prevent feet from getting trapped on platforms)

Metro's accident rate has gradually decreased over recent years, falling to 5.78% accidents per one million passengers transported in 2016, which is lower than rates recorded before the roll out of Transantiago.

User Accident Rate					
Year	Total	Rate			
2014	4.654	6.97			
2015	4.392	6.64			
2016	3.873	5.78			

Metro Continues to be the Safest Public Space in the City

As a company we are particularly concerned with preventing and controlling acts of crime committed on our network, which is why we have set up a series of measures meant to bring down the crime rate and reporting rate. Some of these measures are listed below:

- Joint Metro, Carabineros de Chile (street police), and Investigative Police service plans
- Extra services on special occasions (Young Combatant's Day, September 11th, Independence Day celebrations, Paris Parade, Christmas and New Year's)
- Physical presence of Carabineros (national police) at Metro stations
- Information campaigns aimed at fostering self-care and reporting illegal activities
- Free-of-charge legal services in court for victims of crimes committed on our network.

This commitment is part of our quest to provide our passengers with better, safer services, and has enabled us to gradually bring down the crime rate; nonetheless, in 2016 several indicators increased, for instance, the percentage of crimes reported jumped from 47% in 2015 to 58% in 2016. The following are the 2014-2016 crime statistics:

Year	Total Crime Rate	Other Events (rate)	% Crimes Reported
2014	1.16	0.44	36%
2015	0.98	0.34	47%
2016	1.09	0.35	59%

It is worth mentioning that theft, robbery, indecent acts, and damage to facilities are reflected under the total crime rate while assaults, disorderly contact and inebriation are grouped under "other events." The percentage of crimes reported is the sum of all crimes grouped under the total crime rate divided by the total number of crimes reported.



7.10 Managing Contingencies

The primary purpose of the Passenger Transportation Division is to determine and coordinate timely responses to operational continuity contingencies. For this purpose and in order to mitigate the impact operational failures may have on Metro and Santiago's public transit system users, we have adopted several measures to bolster Metro's emergency response. To this end we work closely with the Metropolitan Public Transport Board (DTPM), so that we are able to act in conjunction to reinforce street level transit services if our operations are interrupted.

One of the measures we have adopted consists of a traffic light system installed at turnstiles so that users are aware of the service status prior to entering the platform.

Moreover, we are also convinced that it is necessary to tell passengers what to do in case of a contingency affecting normal operations, which is why we have launched awareness and education campaigns to inform them of the various support mechanisms in place.

Information at Entrances

The purpose of this service is to improve the information we provide users on street level transit services. To this end we have set up banners at station entrances with information on bus stop locations and bus routes, so that users are familiar with alternative transit services in the event Metro services are interrupted.

User Information at Stations

The purpose of this service is to improve the information we provide users at stations so they are able to make the best possible decision when traveling. We adopted this measures at all network stations and it comprises signs with information on the most relevant sites near our stations, bus stops and bus routes, station maps, and instructions in the event of emergencies.

Information on Trains

Its purpose is to keep passengers informed throughout their trip. We have placed pertinent information inside trains, specifically above doors, on how to proceed in the event of an evacuation and what to do in the event of smoke or fire on the train. This information is in both Spanish and English so that local citizens and tourists have clear information.

Emergency Wallet

The purpose of this is to provide information on what to do in the event of an emergency so that passengers know what to do in advance under certain circumstances, such as: smoke or fire on a train, medical emergencies or situations that may jeopardize the safety of our staff both on trains and at stations.

