

THALYS

QUALITY REPORT 2016

BIENVENUE CHEZ NOUS
VAN HARTE WELKOM
WILLKOMMEN BEI UNS
WELCOME TO OUR WORLD



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1. INTRODUCTION

In application of Regulation (EC) N°1371/2007 on the rights and obligations of passengers ("the Regulation"), and notably, Article 28, railway companies operating in the territory of a Member State of the European Union must publish an annual quality report (the "Quality Report").

This report follows the format of Annex III of the Regulation - Minimum Service Quality Standards

1. Information & Tickets
2. Punctuality and general principles for handling service disruptions
3. Service cancellations
4. Cleanliness of rolling stock and station facilities (air quality in carriages, sanitary facility hygiene, etc.)
5. Customer satisfaction survey
6. Handling of complaints, refunds and compensation for non-compliance with service quality standards
7. Assistance to disabled persons and persons with reduced mobility

About Thalys

Thalys is a high-speed red train that links Brussels to Paris in 1 hr 22 and also provides service to Cologne in just 1 hr 47 and Amsterdam in 1 hr 53.

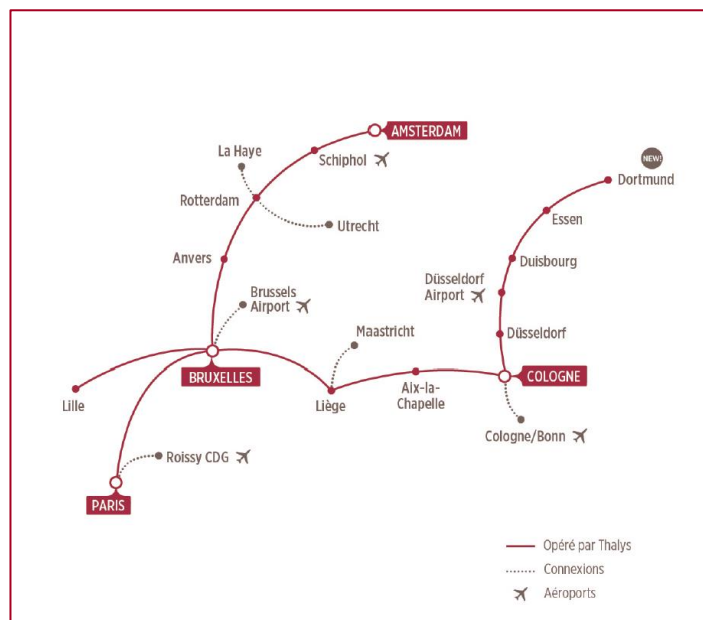
Three new Thalys destinations were added to the service in Germany on 29 August 2011: Düsseldorf, Duisburg and Essen. Brussels Airport has been served since 30 October 2011.

The city of Lille has become a Thalys destination since April 2014.

Dortmund has been served since March 2016.

Thalys is a service provided by SNCF, SNCB and NS. Thalys is a member of Railteam, an alliance of leading European high-speed rail operators, CER (Community of European Railway and Infrastructure Companies) and UIC (Union International Union of Railways).

The "Welcome to Our World" logo is the watchword of the brand and of the company which has made a warm welcome and quality service its key values.



2. INFORMATION & TICKETS

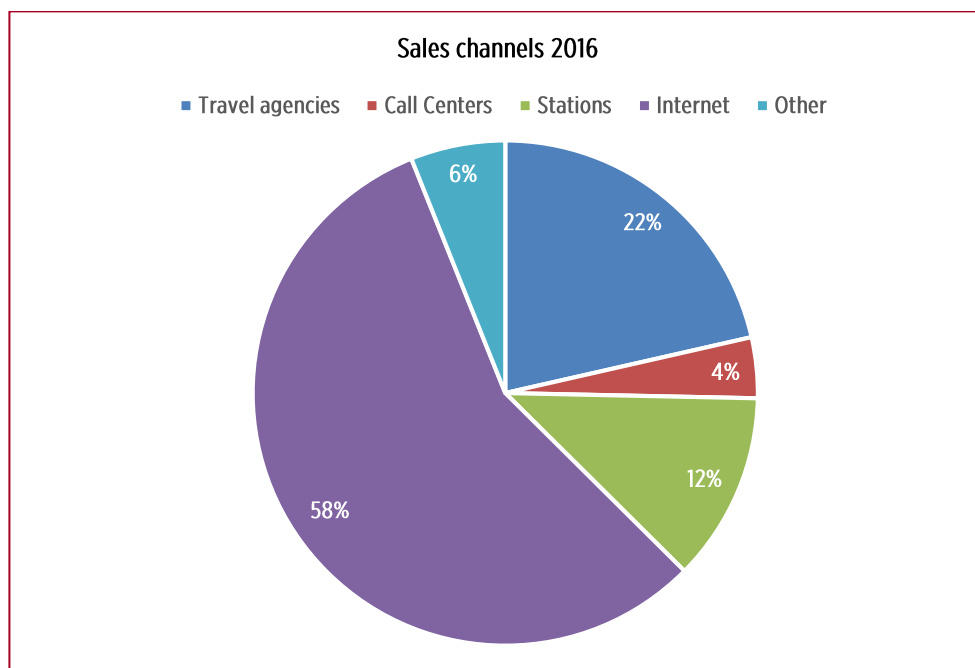
Note that Thalys International does not issue the tickets for Thalys service.

Ticket issuing is handled by Thalys International's shareholder railway undertakings (SNCF, SNCB, DB) and partner (NS) through their distribution channels, as well as through other contractual distributors, using the information systems of Thalys' shareholders and partner.

Information about the service offer (i.e. information about schedules, fares, seat availability, contractual conditions, etc.) is available on the thalys.com website. In Germany, the documentation is available in the Thalys Store&More shops which are Thalys sale, exchange and information points. They are located in Cologne (since October 2012) in Aachen (since May 2014) and in Dusseldorf (since June 2016).

The documentation is also available at the points of sale of each distributor (stations, call centres and Internet sites).

The graph below provides the overall distribution of sales in 2016, all distributors combined:



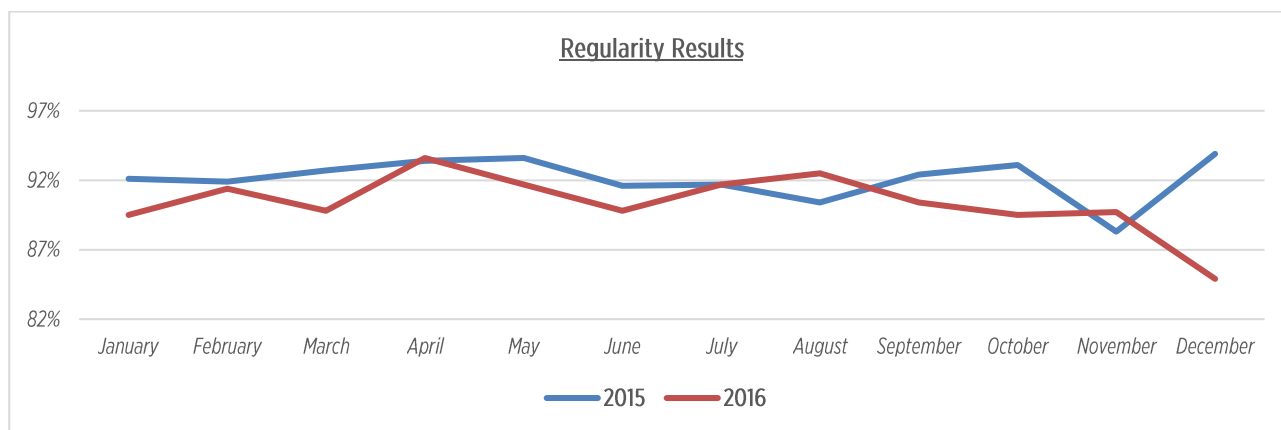
3. PUNCTUALITY AND DISRUPTION/CANCELLATION MANAGEMENT

Overall results

Concerning the punctuality, Thalys International observes a slight decrease of its performance in 2016 in comparison with 2015 .

More precisely, the overall punctuality within 15 minutes goes down but remains a high level with a score of 90,4% (-1,7 point compared to 2015).

Finally we have to remind the beginning of the year was delicate for Thalys with the installation of safety gates in Paris Nord and an end of the year marked by major delays (mainly due to external causes).



Service disruption management <> Traveller information

For each train suffering a delay equal to or greater than 10 minutes, Thalys sends an SMS message or email to all train passengers who requested the option and provided their contact information when they purchased a ticket.

The message is updated for every 10-minute change in the schedule (e.g., a message is sent if a train is delayed by 20 minutes then another message is sent if the delay increases to 30 minutes or decreases to 10 minutes).

In addition, the thalys.com website is updated based on the same criteria. A "traffic information" banner appears on the homepage. By clicking on the banner, travellers can see a list of trains affected by the incident.

The information is available in four languages (French, Dutch, German and English).

Thalys strives to provide the most up-to-date information to passengers.

For example, Thalys International provides information on the delays at each station with Thalys train service.

The information is available on both visual and audio media in all of the stations with Thalys service.

On board the trains, the "train managers" (ticket inspectors) are responsible for providing the information to passengers, either orally or via a system of pre-recorded digital announcements.

All of the people involved and tools used are updated by operators at the Thalys Operations Center in Brussels.

4. CLEANLINESS OF ROLLING STOCK AND STATION FACILITIES

Thalys International does not manage train stations. It is therefore not responsible for station cleanliness and facilities.

With regard to Thalys rolling stock, the train fleet is cleaned by the teams of the various networks.

On-site procedure

The trains are cleaned prior to each departure, either in the maintenance workshops or in the departure station. In addition to "everyday" cleaning, thorough cleanings are also done at less frequent intervals.

2016 results

The conformity of Thalys cleaning and train cleanliness is measured via:

- ✓ Internal cleaning controls
- ✓ "Mystery customers"
They check the cleanliness on board during the travel and at their seats (about 140 inspections every quarter).

In 2016, our performance reached a 97,1% compliance rate for inspections carried out by mystery customers during journeys.

5. CUSTOMER SATISFACTION SURVEYS

A reminder about the methodology

Since 2014, Thalys measures the satisfaction level of its customers via online surveys. The survey criteria are as follows:

- ✓ Questionnaires are answered online after travel
- ✓ A sampling of 3000 respondents is targeted for each quarterly wave
- ✓ The surveys are conducted continuously, throughout the quarter
- ✓ In case of a delay exceeding 10 minutes, a special questionnaire is sent to each customer to determine their satisfaction level following the service disruption
- ✓ Customers have a scale from 0 to 10 to express their satisfaction level (0 means that the customer is completely dissatisfied and 10 that he is completely satisfied). **Travellers are considered satisfied when they enter a score equal to or greater than 7:**
 - ~ From 0 to 4: they are considered dissatisfied
 - ~ From 5 to 6: they are considered moderately satisfied
 - ~ From 7 to 8: they are considered satisfied
 - ~ 9 and 10: they are considered completely satisfied
- ✓ The satisfaction level for a given topic is, therefore, the proportion of customers who entered a score from 7 to 10.

Principal lessons for 2016

Thalys had a very good result with an overall satisfaction level of 87,5%.

This should, of course, be compared to the punctuality with 10 minutes reaching a satisfaction level of 93,9% among Thalys customers.

Despite these high scores, Thalys remains attentive to the fundamentals of the travel (comfort & cleanliness) and to the "caring" aspect of the service, particularly during service disruptions.

Finally, very high satisfaction levels must still be credited to the Train Managers (despite the "control" aspect of their job) and the Train Attendants (staff responsible for welcoming passengers and for on-board catering) both for their welcome and availability.

6. COMPLAINT HANDLING

Compensation policy

For any delays equal to or greater than 30, 60, or 120 minutes, excluding those due to external causes, Thalys compensates customers with Thalys travel vouchers (valid for 12 months) with a value of 20%, 50% or 100% of the ticket price, respectively.

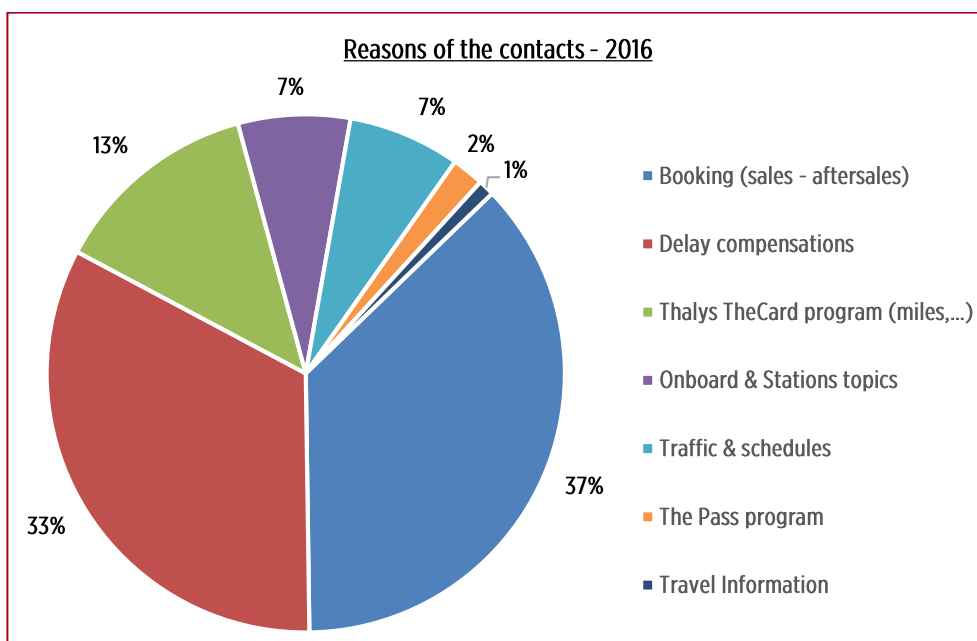
Passengers who prefer to be compensated by bank transfer receive 25% or 50% of the fare as of the 60th and 120th minute of the delay, respectively.

Thalys has decided to thank its passengers for their loyalty by exceeding the minimum requirements of Regulation (EC) n° 1371/2007 for passengers who choose to be compensated in Thalys vouchers.

A few figures

We recorded an increase in the number of customer contacts of 20,9% in 2016 compared to 2015.

The following graph shows the distribution of the different types of contacts (complaints & info/help desk) managed by the Thalys customer service in 2016:



7. ASSISTANCE FOR PERSONS WITH REDUCED MOBILITY

Thalys offers various solutions to assist people with disabilities or reduced mobility:

- ✓ Travellers can put in a request 48 hours in advance for assistance to board and get off the train on arrival. They can also request that an adapted taxi or car be booked or hired for them.
- ✓ On board of each Thalys train, 2 places are specially equipped for wheelchairs in coaches 1, 11 and 21 (first class). These places have an alarm button to call the Train Manager if assistance is required. Wheelchair accessible toilet is located nearby.
- ✓ A special fare is also available for persons travelling with a passenger with a disability or reduced mobility and for people travelling in a wheelchair: they are entitled to a Comfort 2 fare and travel in Comfort 1.