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ABOUT Q-PARK

REVIEW OF BUSINESS

General

2019 was again a record year for the Q-Park Group with continuing growth of revenue and operating result before depreciation, amortisation and impairments. The drivers behind the improved result were:

I   A strong like-for-like revenue growth of the existing portfolio of parking facilities.

I   Additions of new business to the portfolio.

I   The positive contribution of the transformation programme initiatives implemented after the Q-Park Group was acquired in 2017.

In 2018 the Q-Park Group redefined its strategy and started with the execution of the transformation programme initiatives to facilitate the transition from a decentralised organisation to an organisation with a more centralised focus. The Q-Park Group has increased its focus on ICT and data analytics which has resulted in strong developments such as in digitisation, mobility as a smart service, and smart city concepts.

In 2019, the Q-Park Group further centralised its ICT operations and invested substantial amounts in ICT systems and business intelligence to prepare Q-Park for further digitisation and other developments. Furthermore, initiatives were rolled out to control and reduce operating expenses.

The Q-Park strategy focusses on four pillars:

I   Growth in the existing business;

I   Portfolio growth;

I   Transformation programme;

I   Top line acceleration initiatives (such as revenue management).

In 2019 both the transformation programme and top line acceleration have proven to drive the results from the existing business and make the Q-Park Group more successful in acquiring new business.

Significant portfolio developments

Based on strategic considerations, the Company has disposed its Nordics business consisting of the operations in Sweden, Norway and Finland as per 30 April 2019. The Nordic operations had a different business profile with a strong focus on short-term contracts and control fee business. With this disposal the remainder of the Group has reinforced its infrastructure profile with more comparable business processes enabling us to focus on our core strategy and realise more business optimisations.

In September 2019, 100% of the shares in P1 Parking were acquired. P1 Parking was the number four parking operator in the Netherlands with a portfolio of lease contracts that has an excellent fit with our existing portfolio of parking facilities. The acquisition has strengthened our position in three highly attractive cities with strong macro-economic developments in the Netherlands.

In addition to the aforementioned significant portfolio developments, we have successfully acquired several new contracts in mainly France, the Netherlands and Germany.

Operating results

The adjusted operating result before depreciation, amortisation and impairments amounted to EUR 223.6 million (2018: EUR 204.5 million). However, these results are not fully comparable and have been adjusted for the significant events mentioned before. The increase is due to the solid revenue performance in combination with the positive contribution of the transformation programme initiatives.

Net revenue

The adjusted net revenue shows a solid increase of EUR 21.2 million up to EUR 674.0 million (2018: EUR 652.8 million). This revenue increase can be attributed to strong like-for-like revenue growth of the existing parking facility portfolio of 3.4%. Furthermore, a positive contribution was made by the newly acquired contracts that were added to portfolio.

Cash flow

The total cash flow amounted to EUR 220.8 million versus EUR -34.7 million for the full year in 2018.

Environmental footprint

The reduced carbon footprint per parking space in owned and long-leased parking facilities (O+LL PFs) is 12% compared to 2018. This further reduction can be attributed to our LED programme and operational measures designed to increase overall efficiency.

Energy consumption

The total amount of energy consumed in our O+LL PFs amounted to 87.5 GWh compared to 89.3 GWh in 2018, a decrease of 2%.

Chart 2: Total GWh consumed by O+LL PFs
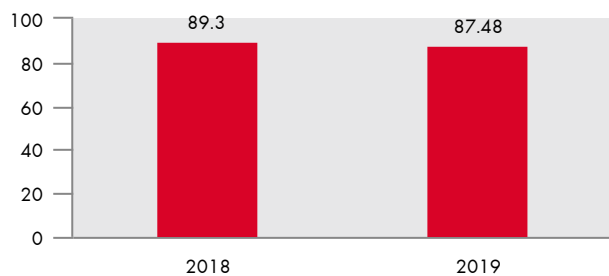
E-charging

In 2019, Q-Park had 1,008 (2018: 586) e-charging stations in more than 217 (2018: 115) parking facilities, an increase of 72.0% and 88.7% respectively.

Chart 3: E-charging stations
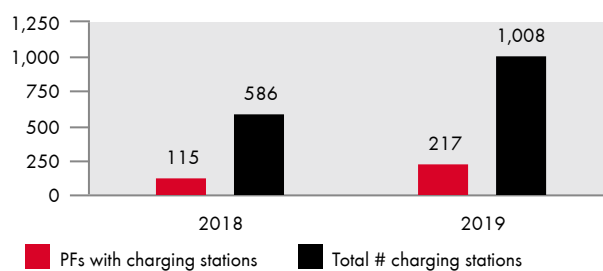
Chart 1: CO_2 emissions (kg) per parking space per type of structure
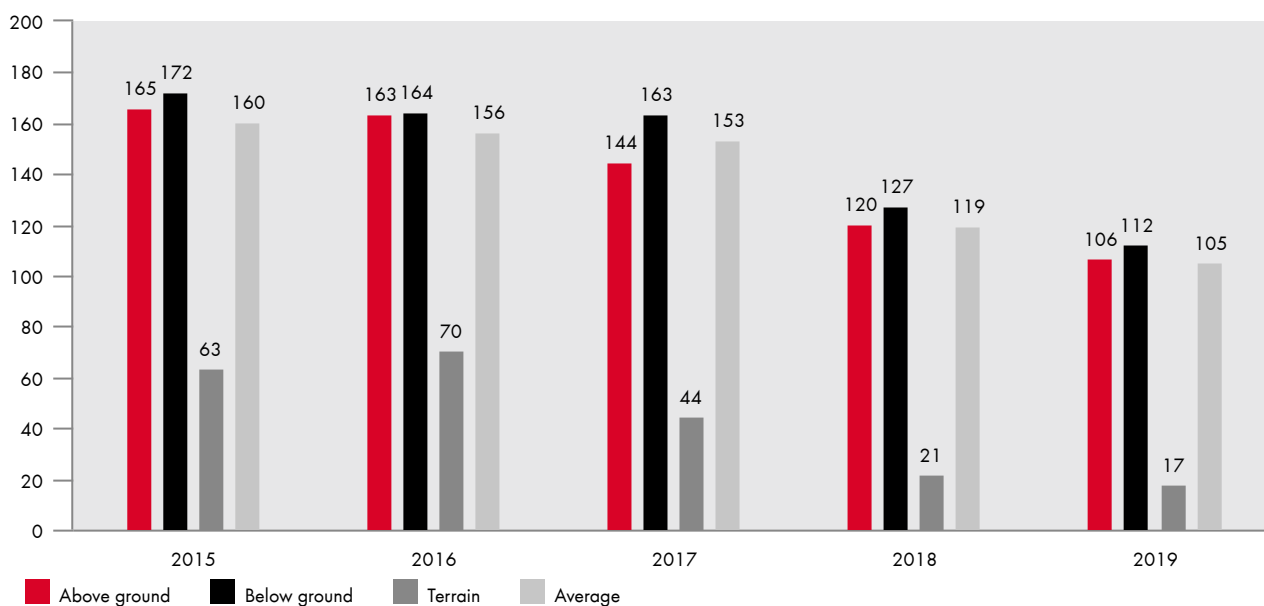
PROFILE

Q-Park is one of Europe's leading parking services providers with secure, clean, and well-managed commercial parking facilities across seven West European countries.

We are recognised as a provider of quality parking facilities. The high level of quality we provide is maintained by our employees and costs are controlled through the use of smart solutions and systems.

Figure 1: Market position across 7 countries

We demonstrate that effective regulated and paid parking make an economic contribution to cities. A positive parking experience contributes to how people enjoy their visit, journey, shopping, or commute.

We focus on transforming the customer experience of parking into one that is a welcome part of any journey, as car parks often provide the first impression of a destination.

More about who we are.

Our vision

We aim to be the most preferred and recommended parking partner at strategic locations in Northwest Europe, based on functional quality, operational excellence, customer satisfaction and sustainable financial performance.
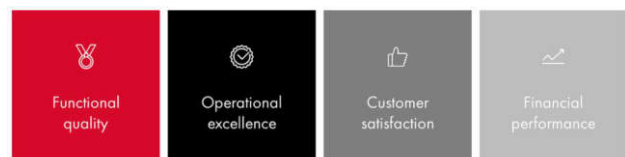
Our mission

We enhance quality of life by providing clean and safe parking facilities, based on the pillars convenience, reliability and hospitality.

Our strategy

We endeavour to be the parking operator that best understands and seizes car parking market opportunities. By applying innovative technology and by working together with strategic partners, we offer sustainable and profitable parking solutions.

Our value

We create value for all our stakeholders through our portfolio of purpose-built parking facilities and off-street parking at strategic locations: in or near multifunctional inner-city areas, at public transport interchanges, and at hospitals.

We offer public and private landlords a range of contract types and value propositions, which are supported by our unique digital and pricing optimisation capabilities.

We do business with a long-term perspective and from a solid financial basis. Our corporate social responsibility (CSR) report gives insight into how we create non-financial value and how we impact society and our stakeholders.

More about our Corporate Social Responsibility.

QUALITY IN PARKING

Contribution to quality of life

Q-Park wants to grow in cities with attractive market dynamics and sees good opportunities for this strategy. Urbanisation continues and rural populations are declining fast. This affects the number of passenger cars and the demand for parking spaces, both of which are expected to continue increasing in large cities.

This drift to urban areas coincides with the trend towards increasingly autonomous and more environmentally friendly cars. One of the accompanying challenges for municipalities is to maintain a liveable city.

We work together with urban planners to create parking solutions that integrate in the mobility chain, and thus improve the quality of life for all stakeholders.

Innovation

ICT is a true enabler for our future development and implementation of new and innovative services for landlords, partners and customers. Our proprietary system and portals enable us to facilitate the customer's journey, in both the virtual and physical sense, from the comfort of the customer's home to their final destination.

Our back-office operations run on a profound digital infrastructure which seamlessly integrates with our front office (our websites and parking facilities) where partners and customers interact. For example, to find parking solutions online, order value cards or a season ticket, or to pre-book a parking space.

Figure 2: PaSS – Parking as a Smart Service

In 2018 we developed the **Parking as a Smart Service (PaSS)** platform. This will enable us to launch new value propositions to public and private landlords, and to commercial partners.

Our employees

Q-Park recognises that our goals can be met only with the dedicated input of committed and well-trained employees who share our passion for quality and customer service. We invest heavily in induction training and the continuous development of our people.

Our commercial partners

One million motorists use our parking facilities every day. With the cash flows we generate from this, we can continue to invest in future-focused parking solutions that add value for our **public & private landlords**, partners who offer parking as part of their own service offering, and motorists.

Our activities

A large proportion of our revenue comes from single parking transactions, our short-term parking customers. About one-fifth comes from multiple parking transactions, our season ticket holders.

Our parking services mainly consist of providing parking spaces in purpose-built parking facilities or in off-street car parks. This can be pay-on-exit parking behind barriers, or parking paid by means of Pay & Display parking tickets, or via a parking service app. We also offer customers the opportunity to pre-book a parking space.

In addition, we offer services such as monitoring compliance to regulations applicable parking on-street and on private property. For public & private landlords, we are happy to operate their parking facility, and because of our scale, we can do this efficiently and effectively.

NOTABLE PROJECTS IN 2018

Handelsbeurs

Photo courtesy Denys website

Q-Park excels in collaboration projects and the restored Handelsbeurs in Antwerp in an excellent example. In conjunction with architect eld, restoration specialists Origin and contractor Denys, in September 2019 Q-Park opened a modern 300-space car park in the centre of Antwerp

The parking facility includes many of Q-Parks signature features on which the company has built its reputation for quality and convenience.

Pre-booking & Event management

This parking facility is equipped with Q-Park PlatePay, our proprietary solution which allows customers to access and exit parking facilities with their number plate. Customers can pre-book a parking space online and choose from a variety of parking propositions: for meetings, leisure or events.

Event organisers, offices and leisure providers please note: **Q-Park PlatePay** enables you to create bespoke solutions tailored to specific target audiences, needs and requirements.

More about the Handelsbeurs.

Veerkaden – 100% energy neutral

The upgrade and transformation of the Veerkaden parking facility was completed in Q4 2019.
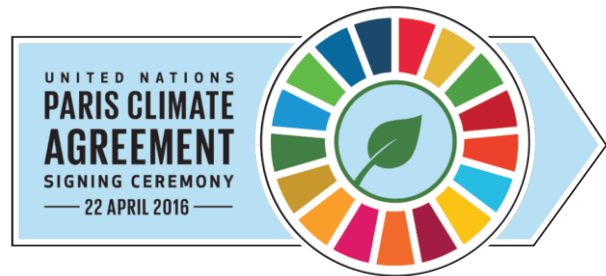
The transformation into an energy-neutral parking facility will help Q-Park reduce its overall CO_2 per parking space and contributes to meeting the Paris 2016 UN climate change commitments, the Energy Efficiency Directive (EED) from which the ISO 50001 energy management standard is derived. Q-Park Netherlands and Q-Park Germany both have multisite ISO 50001 certificates.

Veerkaden required substantial renovation to bring it in line with Q-Park's updated functional quality standards and to meet changing requirements regarding energy consumption, e-charging and CO_2 footprint.

Q-Park took this opportunity to not only refurbish the visible and aesthetic aspects of the car park, but to go much further and equip the parking facility with the means to be self-sufficient for energy. Government subsidy was available for this extensive project, meaning the investment is expected to pay for itself within 7 years, about half the usual return on investment period.

To achieve energy self-sufficiency, the renovation included:
- PV panels
- Nilar EC Batteries
- DC LED lighting
- Smart energy hub

PV panels

The top deck of the parking facility now houses 1,042 solar PV panels, installed in east-west orientation for maximum efficiency. The installation includes four inverters and has a maximum capacity of 339 kWp. The annual estimated electricity production is 392,000 kWh.

Nilar EC Batteries

The installation is as large as possible to maximise the electricity generating capacity. In the Netherlands there is a cap on the amount of power an installation may give back to the national grid, so facilities to store the power generated were made. The batteries selected are environmentally friendly nickel metal hydride (NiMH) Nilar batteries. These store the power generated by the PV panels for use at a later point in time.

The installation is calculated to provide enough electricity to power the parking facility, including the e-charging stations. Electric cars can be fast charged (DC charging) and charging at night means using the solar power generated during the day.

DC LED lighting

Low-energy high-performance LED lighting became the standard in most of Q-Park's owned or long-leased parking facilities during 2019, Veerkaden is no exception.

However, the difference here is that the LEDs are DC powered directly from the Nilar battery packs. This is an enormous saving as the DC power generated by the PV panels does not have to be first inverted to AC power and then transformed back to DC in the LED lighting circuit.

We expect to realise an additional annual saving of approximately EUR 10,000 with this DC LED lighting solution.

Smart energy hub

The Veerkaden parking facility is equipped with a bi-directional smart energy hub designed to manage the power generated by the PV panels on the roof and to direct it to the battery pack, DC LED lighting, and e-charging stations. It also provides AC power for the rest of the car park equipment, such as the lifts and barriers.

If the battery packs are fully charged, the hub converts the power generated by the PV panels to AC and channels it to the public grid.

Furthermore, if the battery pack cannot meet electricity demand in the parking facility at any point, the smart energy hub draws power from the grid. As such, it optimises energy flow and, using patented power equalisation technology, balances the parking facility's power consumption, also minimising the parking facility's dependence on the grid.

The entire installation, in combination with the Nilar battery pack also provides a reliable peak shaving and time shifting power solution. In the event of a public grid power failure, the smart energy hub will continue to power the parking facility.

🌐 More about this 100% energy-neutral car park.

Parking company P1 acquired

In September 2019 Q-Park acquired 100% of the shares of P1, a family-owned parking company operating and managing parking facilities in the Netherlands.

This acquisition has added volume to the Q-Park portfolio and has strengthened our position in major cities in the Netherlands including Eindhoven, Utrecht, The Hague and Amsterdam.

At the time of the acquisition, Vladan Jankovic, Managing Director of P1 said he was pleased to have found a parking operator with a quality profile and similar vision.

Figure 3: P1 acquisition in the Netherlands

Q-Park sees this as an opportunity to optimise service in the Dutch market and to engage with public and private stakeholders to build smart mobility solutions which will help keep Dutch cities accessible, liveable and economically viable.

Philharmonie, Paris
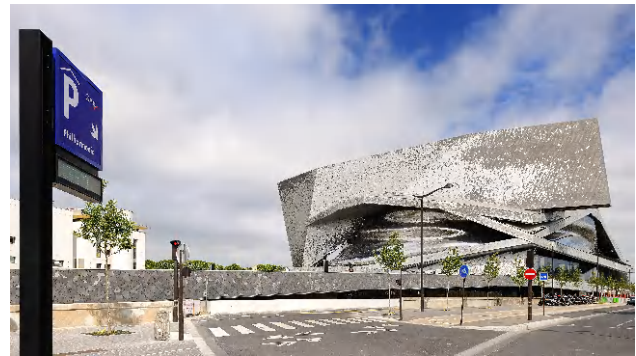
The Philharmonie concert hall is a modern structure ideally located to enjoy the Parc de la Villette with its many attractions including the Zenith. Its highly original architecture – which conceals all its corners both above and below ground – presented new challenges for Q-Park when designing the parking spaces, entrances and exits.

The result reaffirms Q-Park's track record in the design and management of car parks around the most iconic cultural sites, and our desire to participate in projects of high technical and architectural significance.

Q-Park signature features were incorporated and adapted to meet the requirements of the building, with special attention being paid to routing, signposting and house style colours. Motorists now benefit from:

I   One-way traffic
I   Effective illuminated signage
I   Optimised guidance system to spaces
I   Multiple barriers (2 for entry and 3 for exit)
I   Smooth traffic flow in the car park and on the streets
I   Two pedestrian entrances at street level

The facility has space for 564 cars (including 16 places for PRMs) and 90 motorcycles, spread over two underground floors. It offers direct access to the concert halls and is close to public transport connections (metro, bus and tram).

🌐 More about Philharmonie in Paris.

Medipole, Lyon-Villeurbanne

The Medipole hospital car park, which opened in January 2019, is a ground-breaking hospital parking solution. Three separate car parks have been created on the site to meet the various needs.

Taking parking requirements seriously

When planning the new hospital, the consortium of regional health insurers took parking requirements seriously from the start of the development project and this meant that Q-Park was involved at a very early stage to contribute its expertise to designing the parking facilities.

After using our proprietary capacity calculation utilities, Q-Park's experts recommended creating three car parks around the medical centre, each with the right number of parking spaces required for specific needs of employees, patients and visitors.

The Medipole car parks include some of Q-Park's signature design features, such as:

ı   Angled parking

ı   Smart one-way routing

ı   Multiple access and exit points

ı   Dedicated car parks to meet specific needs

🌐 More specialist tips for hospital parking.

🌐 More about Medipole.

Parking solutions PaSS & PlatePay

PaSS

PARKING AS A SMART SERVICE

Powered by Q-Park

Q-Park has taken parking convenience a step further – from cashless to ticketless to **cardless parking** – no bank or credit card required at the parking facility at all. This technology is embodied in the PaSS and PlatePay solutions which were introduced in 2019.

PaSS and PlatePay have been initially implemented throughout Belgium and in a few selected parking facilities in the Netherlands. We have firm plans to implement the innovation in a selection of our parking facilities in the Netherlands, Germany, UK, France, Ireland and Denmark in 2020.

Q-Park PaSS is an evolutionary innovation combining ANPR technology with digital payment solutions and Q-Park's proprietary Back Office Calculation (BOC) module. Now, we can integrate the Parking Management System (PMS) at access and exit points with Q-Park's BOC to create a seamless, fair and transparent parking experience.

Q-Park PaSS is an ecosystem. It is a collaborative economic innovation because in recent years, boundaries between industries have become blurred and customers are hyper-connected. Everyone now has access to ambient intelligence and connectivity, boundless information and unlimited choices.

Understanding this created the opportunity to grow our business by delivering and capturing value from innovation with a variety of business partners. Together we considered how to:
- simplify the various steps a parking customer needs to take (literally and figuratively) and

we innovated to make these steps as simple as possible;
- connect the various sales & service channels a customer uses and we innovated for transparency, flexibility and freedom of choice;
- plan adaptively for businesses who wish to offer parking as part of their service and we innovated to ensure seamless integration with their back-office systems.

In Belgium PaSS is integrated with partner applications:
- KBC, providing effortless parking for their clients using their mobile banking app;
- EasyPark, providing an integrated on-street and off-street solution for their app users.

PlatePay is the specific Q-Park implementation of this service and is available to any customer using the Belgium Q-Park Mobile-app. Customers register their number plate in the app and link it to a bank account. Their number plate then forms their key to access Q-Park car parks.

More about PaSS PlatePay for customers.

More about PaSS PlatePay for car park owners.

More about PaSS, a Q-Park expertise article.

Safety first at Q-Park Mailbox

In partnership with MotaGoGo, Q-Park has installed an innovative tyre tread scanner at Q-Park Mailbox in the centre of Birmingham. This offers motorists a free tyre check as they exit the car park.

Motorists simply drive over a small ramp as they exit the car park and the scanner automatically checks the condition of the tyres. To see the results, customers can either go to the Q-Park Rewards app or the MotaGoGo website where they simply enter their vehicle registration to view the condition of the tyres and depth of tread measured.

The aim of this partnership is to increase road safety and provide added value for Q-Park customers. This innovation stems from Q-Park's passion to be at the leading edge of technological developments in the car parking market.

Tyres are crucial to road safety. The regular vehicle roadworthiness checks that are mandatory in all European countries require a minimum tread of 1.6 mm. However, motorists are recommended to replace tyres with less than 2.5 mm tread depth. Motorist may not notice their tyres being damaged by poor road surfaces or hitting a kerb. This tyre check service can contribute to the safety of our customers.

A recent UK survey reported that more than 1,000 people per year are killed or seriously injured from accidents involving cars with faulty tyres. In addition to this, there are fines and driving licence penalties for driving with tyres under the legal tread limit.

🌐 More about this tyre safety partnership.

Q-Park Ireland promotes safe driving

Q-Park have joined Toyota's FaceItDown initiative

Car manufacturer Toyota launched the **FaceItDown** application in 2017, to help combat motorists using their mobile phones while on the road. The app encourages motorists to put down their phone at the start of a journey, and

keep it down. The app can be used in any make of vehicle, not just Toyota cars.

To benefit, the user launches the app before setting off on a journey and simply puts the phone face down, the phone will then buzz to confirm it's tracking. Points will be earned for every kilometre driven without picking up the phone. If the user turns over the phone while driving, all the points accumulated will be lost.

With each completed journey during which the motorist successfully kept their phone face down, a point per kilometre travelled will be earned and can be used for rewards. Rewards can be redeemed at various partners for things such as hot drinks, or money off at FBD Insurance. Q-Park are proud to be the latest partner added to this initiative, to offer motorists money off their parking as an incentive to not use their phone while driving.

Q-Park offers safe motorists the chance to cash their rewards for vouchers they can use when they pre-book a parking space online. The rewards are:
- €2 off parking – 250 points
- €3 off parking – 400 points
- €4 off parking – 550 points

🌐 More about this road safety initiative by Q-Park.

🌐 More about this road safety initiative by Toyota.

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FUTURE OUTLOOK

Interim economic forecast

With the COVID-19 pandemic, all economic forecasts published end 2019 or early 2020 are out of date as the impact on economic prospects is severe. No one knows what the future holds but we do know that the COVID-19 pandemic hurts the economy in different ways. With supply chain failures and direct effects of illness; with indirect effects of quarantines, travel restrictions, restaurant and store closures; and with demand falling as spending power will be limited by job loss and profit loss.

European economic growth was weak but stabilising until the coronavirus hit. The economic future now depends on the virus' future. The economic forecast on the pessimistic extreme calls for a severe recession lasting a year or two. The optimistic end of the forecast spectrum is based on governmental measures shown to be effective in the next month or so, with widespread resumption of life as normal in June or July.

The business implication of this wide range of possibilities is that companies need to be ready for a prolonged period of weak sales, while also ready to jump forward in a reviving economy.

Q-Park forecast

With no experience in a situation like this but with ample experience on previous crises, we avoid forecasting based on extremes. We cannot predict the duration of the existing crisis nor if the virus will come back in a different form, but we have a firm belief in parking as one of the first industries profiting from travel, shopping and leisure activities once the quarantine measures have been relieved.

In response to the coronavirus crisis, Q-Park has taken actions to protect the health of employees and customers, to ensure that our liquidity is sufficient and keep relevant parking facilities open and to be ready to jump forward in a reviving economy with the business plans we drew up.

Q-Park remains a solid company with a strong balance sheet and flexibility to reduce spending in this period of downturn and we expect, to the best of our current knowledge, to be able to weather the storm and meet our obligations both internally and externally. We will also continue to monitor the market for expansion opportunities while remaining disciplined from a balance sheet perspective.

Short-term activities

Q-Park assigned a COVID-19 response team to closely follow developments around the coronavirus outbreak and mitigate the impact of the crisis on our business to the greatest extent possible. They have taken the following actions:

- Measures to ensure the health and welfare of employees and their ability to perform their roles in providing services to our customers.
- Limit capex investments to those that are required for safety purposes and commitments that are critical for the business.
- Reduce (discretionary) costs wherever possible without harming the long-term strength of our company.
- Ensure that our liquidity is sufficient.
- Keep all relevant parking facilities open as customers are advised to avoid crowded means of transport.
- Use all economic stimulus and support programmes provided by authorities to cover the sharp loss of revenues as a result of the different government measures taken by the countries in which we operate.
- Vigilant measures to mitigate the risks of coronavirus-related phishing and cyber attacks.

Short-term plans

As we are convinced that Q-Park will weather this storm, we are keeping an eye on potential opportunities in the parking market and are continuing to work on plans that support our business today and tomorrow. Our short-term plans consist of:

I   Proceeding with the transformation programme to optimise our processes.

I   Engaging with public and private landlords to enter into partnerships.

I   Executing key priorities of our digital strategy which support our commercial roadmap.

I   Strengthening revenue and operational dashboards to support fact-based decision making.

We expect no major fluctuations in numbers of employees.

Medium-term plans

In the coming years, we will complete the roll out of the Q-Park Parking as a Smart Service (PaSS) Platform which will enable us to launch new value propositions to public and private landlords, and to commercial partners.

Provision in the Management and Supervision Act

At Q-Park Holding B.V., all members of the Executive Board are men. This unbalanced distribution of appointments is not a conscious choice, but the result of appointing the most suitable person to a vacant position. When an executive position becomes vacant and Q-Park Holding B.V. has the choice of appointing a man or woman of equal quality and suitability, the preference will go to a woman.

The way forward to 2023 and beyond

At Q-Park, we are always looking for ways to add value to a liveable, well-functioning society and to improve customer experience. In addition to the practical collaboration models, we will align landlords' and customers' expectations to the latest developments and strategic choices. We will continue to invest in new technology and provide our customers quick and easy access to our facilities.

Meeting motorists' expectations

We will continue to lead the parking industry by being at the forefront of development, adopting and embracing technology. We will be better equipped to implement the digital and payment solutions that customers require, and this will place us in a better position to participate in Smart City and Smart Mobility concepts. We will also continue to facilitate car charging where demand is growing.

Fulfilling business partners' needs

Our ambition is that landlords will increasingly turn to us as their knowledge partner to help them keep up with technical developments and provide economies of scale for investments.

Benefits for our purpose partners at destinations such as theatres, restaurants, and hotels will include more integrated customer interactions and parking service provision in one seamless flow with their products and services.

Car parking market developments

It goes without saying that we will continue to closely monitor developments that influence the car parking market, such as the need to keep inner-city areas accessible, the growth of online sales, as well as autonomous vehicles, e-vehicles and car sharing concepts. Together with various experts, shareholders and senior management, we will continue to explore these developments and apply the relevant insights.

STRATEGY

SUSTAINABLE DEVELOPMENT GOALS

As one of Europe's leading parking service providers, Q-Park wants to demonstrate its contribution to the UN Sustainable Development Goals (SDGs). These are 17 aspirational Global Goals, supported by 169 targets.

The SDGs were established by the United Nations in 2015 to address the biggest global issues – ranging from ending hunger and poverty to addressing climate change.

Figure 4: UN 17 Sustainable Development Goals (SDGs)

Although Q-Park's business potentially has an impact on all 17 SDGs, we have identified two that align most with our business, strategy and objectives and where we believe we can make a difference. These are SDG 9 (Industry, innovation and infrastructure) and SDG 11 (Sustainable cities and communities).

Why are these SDGs significant to Q-Park?

Today 3.5 billion people, that is half of humanity, live in cities. With an ever-increasing world population, greater numbers of people living in urban areas, and rising prosperity, urban infrastructure is becoming significantly more important.

One of the accompanying challenges for municipalities is to maintain a liveable city as they contend with a range of issues: congestion, traffic cruising for a place to park, reduced accessibility, air pollution, and unattractive unsafe streets and squares full of parked

cars. Furthermore, smart city elements that connect the physical with the digital world are increasingly finding their way into our lives.

We have further aligned our CSR strategy with the SDGs and identified the relevant sub-targets.

The following table shows the relationship between the SDGs that are the most relevant for Q-Park and the company's contribution.

SDG	Description Sustainable Development Goal	Q-Park's activities and contribution
9.1	Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.	By offering attractive parking facilities we make urban amenities and vital functions (such as hospitals, airports, universities and city centres) accessible.
9.4	By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.	- Investments in LED lighting to reduce energy consumption. - Offering e-charging stations to support the use of environmentally friendly mobility options. - Offering parking near public transport nodes and bicycle parking for environmentally friendly 'last mile' needs.
11.3	By 2030, enhance inclusive and sustainable urbanisation and capacity for participatory, integrated and sustainable human settlement planning and management in all countries.	Q-Park works closely with municipalities to analyse changing mobility patterns and devise innovative responses. We know that regulated and paid parking are an integral part of urban mobility. Instruments we use to promote sustainable urban mobility include smart parking tariff structures and allowing residents with parking permits to park their cars in a Q-Park car park in the evening.
11.6	By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.	Reduce search traffic by providing dynamic parking information.
11.7	By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities.	Off-street / underground parking as a means to create car-free zones and public spaces that can be used for recreation, greenery, etc.
11.A	Support positive economic, social and environmental links between urban, per-urban and rural areas by strengthening national and regional development planning.	By offering P+R solutions and by being part of mobility hubs, Q-Park contributes to connecting rural and urban areas as well as to reducing car traffic in city centres.

HOW WE CREATE VALUE

Q-Park's strategic ambition is to be the strongest European car parking operator that best understands and seizes car parking market opportunities.

Our strategic focus is to create value for all stakeholders: shareholders, landlords, municipalities, commercial partners, customers and employees.

Q-Park operates in a dynamic environment. To provide a dynamic response to external events and market trends our tactical plans are built on five focus areas:

I   Portfolio of strong locations
I   Differentiated contract types & propositions
I   Digital & pricing capabilities
I   Operational excellence
I   Proactive learning organisation

We maintain and strengthen our position by remaining alert to new developments and responding with forward-looking strategies.

Ongoing dialogue with our stakeholders is vital to ensure that their interests and needs are represented in the choices we make.

Our materiality analysis helps us to understand the most relevant issues.

I   We aim to gain substantial benefit by utilising our scale of operations and market position.
I   We want to increase the margins on our operating activities by focusing on efficiency.
I   We focus on increasing our market share through acquisitions and different types of lease and management contracts.

Integral mobility

Our aim in society is to be an integral part of city mobility policies and to work towards sustainable freedom of mobility.

We achieve this through adopting a fair pricing policy, facilitating actual and relevant information provision, and integrating with alternative modes of transport.

We Develop Quality

Freedom of mobility

Sustainable value

I   We create sustainable value in society with our parking products: they help to improve quality of life and to reduce air pollution generated by traffic cruising for a place to park.
I   As a proactive learning organisation, we enhance our employees' job satisfaction and their competences by providing relevant training and education.
I   And for the parking customer, we add value by providing functional products and services and by involving them in our activities.

Value clarification

To clarify the sustainable value we create, we use the following categories throughout this report:

I   Value creation
I   Value capturing
I   Value sharing
I   Value retention

MATERIALITY ANALYSIS

Material aspects

In 2014 and in 2016 we conducted a materiality analysis in accordance with **G4 guidelines,** to determine whether the issues we present are relevant and valuable to our stakeholders, and to ascertain whether they are still sufficiently in line with our strategic plans.

🌐 For detailed information regarding the 2016 materiality analysis we refer you to the materiality section published in the CSR Report 2016.

In 2018 we commissioned our partner Sustainalize to analyse parking policies in a number of our target cities. Surveys were conducted in 14 cities in 6 countries, the Netherlands, Belgium, Germany, UK, France and Denmark.

Armed with the results of this desk research, we revisited our materiality analysis, redefined our CSR strategy and rationalised the number of targets we measure. These changes have enabled us to simplify the data collection and reporting process on our material goals and targets.

🌐 For detailed information regarding the 2018 materiality analysis we refer you to the materiality section published in the CSR Report 2018.

By placing an emphasis on materiality, we provide disclosures and indicators that reflect our economic, environmental and social impacts, on the basis of the analyses mentioned before. To make it easier for stakeholders to navigate this report, we have mapped material topics with the Q-Park Liveability Model.

Material topics, in order of impact	Liveability Model	CSF, KPI or Other
Economic performance	Value Capturing	Financial performance
Partnerships	Value Capturing	Smart contracts
	Value Retention	Co-creation
Corporate reputation and ethics		Governance & Policies
Employee satisfaction and employment practices	Value Retention	Employees
		What we can do better
Parking integrated with other modes of transport	Value Creation	Mobility hubs
Customer satisfaction	Value Creation	Expertise / CSSs
Facilitating cars with enhanced environmental performance	Value Sharing	E-charging
Accessibility of parking facilities	Value Creation	Accessibility
Compliance with law and regulations		Governance & Policies
Training and education	Value Retention	Employees
Parking information	Value Sharing	Parking information
Energy consumption	Value Capturing	Environmental footprint / Energy efficiency
Innovation and digital capabilities	Value Sharing	Digital services
	Value Retention	Co-creation
Transparent and integrated reporting		CSR Report
Local community: health and safety	Value Retention	Employees / Health & Safety

CSR STRATEGY

CSR strategy objectives

In 2018 Q-Park redefined its CSR strategy together with its CSR partner Sustainalize. The objectives of this process were twofold:

- to develop a strategic sustainability model; and
- to simplify the data collection and reporting process for sustainability data.

The value that we create for our stakeholders can be directly traced back to our business model. Our financial results ensure that we can continue to create value for society in the long term by improving the accessibility and quality of life in urban areas. And with this, we are also making our contribution to realising UN Sustainable Development Goals, and to Goals 9 and 11 in particular.

The strategic sustainability model is based on the Q-Park value creation model which was first drawn up in 2015. It is designed to give us a better understanding of our impact on society and the value we create for all our stakeholders.

Updated materiality analysis

Based on the impact we have on society and on our stakeholders, at the start of 2018 we examined whether we are still doing the right things in the right way from an intrinsic perspective. Through desk research we have now updated the materiality analysis implemented and themes identified in 2016.

- Based on market analysis, we have identified current trends and developments.
- By analysing the policies of different cities in which Q-Park operates, we have identified the interests of our key stakeholders (municipalities, residents, society, public landlords) and included these in the strategic sustainability model to close the gaps between market requirements and various global benchmarks.
- We have translated an overview of the material themes important to Q-Park into the model: the Q-Park Liveability Model.

Q-Park Liveability Model

The Q-Park Liveability Model is the overarching strategic model for Q-Park's CSR activities, through which we can steer our business activities to create value for our stakeholders and society. We consider improving the liveability and sustainability of cities through our activities to be part of our purpose.

We have developed a visual to communicate our CSR strategy in a clear and simple manner. It has three layers:

1. **Values**: The inner layer is the strategic layer with the four core values. All values are equal and provide a balanced and integrated 360° view on our business impacts.
2. **CSFs**: The second layer is the tactical layer and shows the critical success factors (CSFs) in which Q-Park must excel.
3. **KPIs**: The third layer is the operational layer for which we have defined key performance indicators (KPIs). Where this layer is missing, there will be qualitative reporting on the CSF.

Improving reporting processes and data quality

In addition to reassessing our strategy we have also endeavoured to simplify the reporting process and make this more efficient. Based on the new strategic model we have re-evaluated our KPIs and targets. As a result, we will not report on some of the existing indicators and we have drawn up new indicators that better reflect our core activities.

In 2019 we have continued to improve our data collection process and the quality of our data. This is more efficient than ever as most of the information required can be retrieved directly from our back-office systems. This is also a major efficiency gain for our CSR reporting.

Four quadrants

The model is based on four value quadrants:

| Value creation
| Value capturing
| Value sharing
| Value retention

Q-Park Liveability Model

In the following sections we report on our performance and explain how we create value per critical success factor (CSF) and key performance indicator (KPI) in each quadrant. We report our results over 2019 compared to 2018 where we have the data available.

The sunburst chart is interactive. To read about a particular CSF or KPI and see our results, click a segment in the Liveability Model to jump directly to that part of the report. This feature is only available in the online version.

Q-Park
Liveability
Model

Value creation (red segment):
- Accessibility: Mobility hubs, Off-street parking, City centres, Hospitals, Mobility inclusion
- Functional quality: 24/7 service, On-site service

Value capturing (black segment):
- Environmental footprint: Energy efficiency, LED programme, Emissions
- Parking products: Short-term parking, Season tickets, Prebooking
- Smart contracts
- Strategic locations

Value sharing (dark grey segment):
- Digital services: Validation, Payment
- CSR car options: E-charging
- Parking information: Services, POIs

Value retention (light grey segment):
- Expertise: Research, Awards, WDQ, Health & Safety
- Employees: CLA, Contract gender, Training
- Co-creation
- Compliance

RESULTS

PERFORMANCE HIGHLIGHTS

	2018	2019
General information		
Total Parking Facilities (PFs)	≈ 2,500	2,556
Owned, Concession + Long-Leased (O+LL) PFs	635	688
Short-Leased PFs	180	172
Managed PFs	138	151
Total Parking Spaces (PSs)	≈ 454,000	547,481
O+LL PSs	281,801	282,008
Short-leased PSs	44,297	36,161
Managed PSs	71,216	150,668
O+LL PFs (kWh measured)	547	544
O+LL PSs (kWh measured)	208,708	226,773
Financial information		
Adjusted net revenue (x EUR million)	652.8	674.0
Adjusted net result (x EUR million)	204.5	223.6
Cash flow (x EUR million)	-34.7	220.8
Total of capital investment (x EUR million)	109.0	147.2
Net revenue from parking activities (x EUR million)	602.0	616.3
Net revenue from short-term parking (x EUR million)	475.5	479.0
Net revenue from long-term parking (x EUR million)	126.5	137.3
Non-financial information		
Average carbon footprint (kg CO_2) per parking spaces	119	105
GWh consumed by O+LL PFs	89.3	87.5
Total GHG (tCO_2)	28,088	27,040
Scope 1 (tCO_2)	2,825	2,724
Scope 2 (tCO_2)	25,026	24,065
Scope 3 (tCO_2)	237	251
Car fleet e-cars	53	55
Car fleet diesels	300	292
E-charging stations	586	1,008
Employees	1,562	1,503
Employees receiving regular general training	860	1,070

	2018	2019
Employee training hours (average per year)	21.4	20.9
Health & Safety number of incidents	49	57
Health & Safety number of lost days	917	743
Total PFs offering 24/7 service	962	1,011
Total PFs offering online information	729	789
Total PFs offering e-charging stations	115	217
Total PFs offering online pre-booking services		221
Total PFs dedicated to hospital parking	51	52
O+LL PFs with disabled parking spaces	424	445
O+LL PFs underground	349	383
O+LL PFs with elevators	284	370
O+LL PFs with energy-saving LED lighting	59	228
O+LL PFs with CCTV	250	285
O+LL PFs near public transport hub	110	160
O+LL PFs offering car sharing schemes	32	32
O+LL PFs with bicycle parking	11	94
Strategic cities with five or more PFs	58	119
Total PSs dedicated to PRMs	2,144	2,309
Total POIs listed online (excl. FR)	653	734
Development PaSS Platform	yes	yes
Development Compliance Programme	yes	yes
Development LED Transformation Project	yes	yes
Strategic Thought Leader / Expertise Programme	yes	yes
Strategic Q-Park Liveability Model	yes	
Implemented PlatePay in Belgium		yes
Implemented Event parking in the Netherlands		yes

VALUE CREATION

Accessibility

City centres

Parking facilities have a positive impact on the quality of life in urban areas and in large cities in particular. After all, a city is more attractive if there are fewer cars on the streets. With our parking facilities and services, we contribute to the accessibility of vital functions, such as public transport hubs, train stations, airports and Park+Ride nodes in particular. Locations we service include local government offices, hospitals, schools and universities, points of interest as well as shopping centres.

Reducing traffic searching for a place to park saves time and has a positive impact on air quality in the city. And when cars and bicycles park underground, this frees up the public space for greenery and other purposes. All this means we have an indirect influence on the well-being of people.

We work together with municipalities to establish fair parking tariffs that contribute to the quality of life in urban areas. It is in the interest of municipalities, as well as Q-Park, to tune parking tariffs for different facilities and distances, such as parking on-street or in parking facilities, and in the city centre or at the outskirts of the city.

By engaging municipalities in dialogue on these matters, we want to use our expertise to make a contribution to the accessibility and sustainability of cities. We actively seek collaboration with local governments so that regulated and paid parking become an integral part of urban mobility.

At Q-Park we endeavour to provide a range of parking solutions for easy access to city destinations. These can be at Park+Ride, inner ring, or city centre locations.

Figure 5: Economic access with P+R and P+W solutions

Even though municipalities throughout Europe are increasingly imposing restrictions on city centre access by cars, some access is required to be inclusive to all sections of society. Some visitors prefer to travel as close as possible to their final destination by car and are willing to pay for that service, others opt for a journey including Park+Ride or Park+Walk.

Inner-ring purpose-built parking facilities in particular enhance accessibility while maintaining mobility. They reduce inner-city search traffic and on-street parking which in turn improves the liveability for residents and visitors alike.

Car parks located at varying distances from the city centre give motorists a choice to park further away at a more economic parking tariff or park nearest to their final destination at a higher tariff.

Towards the end of 2019, Q-Park Netherlands introduced Event Parking. Event organisers can include a link to the Q-Park Netherlands website event parking page where they can purchase parking for the theatre, concert or sports event they will be attending.

Figure 6: Q-Park NL - Event Parking
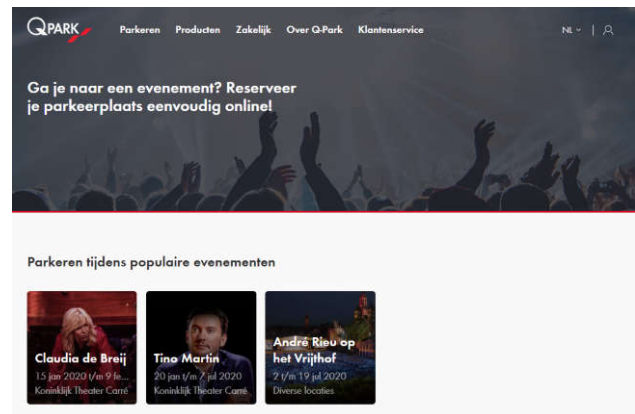
Results

With purpose-built parking facilities at varying distances from the city centre and with varying parking tariff schemes, Q-Park contributes to:

- accessibility to amenities such as public transport, hospitals, shops and events;
- decreasing traffic searching for a place to park;
- freeing up public space for green parks and social squares;
- opportunities to reduce on-street parking;
- nudging motorists to make informed choices;
- creating sustainable parking solutions;
- decreasing subsidised parking, by pursuing the 'user pays' principle.

Hospitals

At Q-Park, we partner with hospitals and healthcare facilities whenever we can because this allows the hospital to focus on its core business of healthcare while we can focus on the parking.

Good parking facilities help hospitals run smoothly. Patients arrive on time and are less stressed for their appointments. For hospital staff, good parking facilities provide a convenient end to their journey which means they will start their shift in a positive frame of mind.

Some may argue that parking at hospitals should be free, but regulated and paid parking is the best method for an efficient healthcare centre to meet the parking needs of staff, patients and visitors with the limited space and resources available.

At Q-Park we know that parking is never free. There are often transport alternatives to using a car and especially in a healthcare setting, for those who can, we recommend encouraging visitors to use active transport such as walking or cycling.

This relieves pressure on the limited parking capacity available and ensures that there is always a parking space for those who really need to travel by car.

When we partner with a hospital, we first diagnose parking needs. We help the hospital gain insight into the types of treatments they provide, the preferred means of transport and parking movements per target group (staff, patients and visitors) to determine:

▌ the parking capacity required;
▌ a bespoke tariff structure;
▌ specific parking products;
▌ a nudging mobility menu per target group.

This helps a hospital understand the needs of their parking customers. When Q-Park operates a hospital car park, we will ensure our signature features are present. For hospitals these include:

▌ extra spaces for blue badge holders;
▌ wide parking bays, preferably angled for easy access;
▌ specially trained Parking Hosts, committed to providing friendly and respectful service in line with that of the hospital's own policy and procedures;
▌ separate parking areas for staff and visitors.

Figure 7: Diagnosing parking needs for hospitals

Results

In 2019, Q-Park added one hospital parking facility in France to the hospital portfolio, bringing the total number of parking facilities dedicated to serving hospital parking needs to 52.

🌐 Why free parking at hospitals is not a great idea.

🌐 Click for nine specialist tips on hospital parking.

Mobility inclusion

Governments and municipalities are committed[1] to providing access to public transport and amenities for all citizens, including persons with reduced mobility (PRMs).

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[1] https://publications.europa.eu/en/publication-detail/-/publication/20f5cc9b-b820-11e2-ab01-01aa75ed71a1/language-en

More than 80 million people in the EU, about 16%, live with a disability of some kind, often affecting their mobility. Considering the inevitable reversal of the population pyramid and that more than one-third of people aged over 75 have an age-related condition that restricts their mobility to a certain extent, providing easy access to public amenities is vital.

Q-Park ensures that its parking facilities meet government requirements[2] for inclusive mobility with features including:

I   wide walkways that provide ample space for wheelchair users and people using walking aids such as a walking stick, crutches or a frame;
I   spaces for disabled motorists are always located close to the pedestrian exit to minimise walking distances;
I   threshold-free access from the pedestrian area to the parking deck;
I   wide doorways;
I   ramps with gentle incline and lifts suitable for wheelchairs and buggies;
I   safe handrails and protection under tapering constructions;
I   easy to read signage with sufficient colour contrast;
I   more than sufficient lighting levels.

The availability of inner-city parking close to POIs is an essential service to enable PRMs to participate fully in society and Q-Park is committed to providing this service.

Figure 8: Inclusive mobility for PRMs
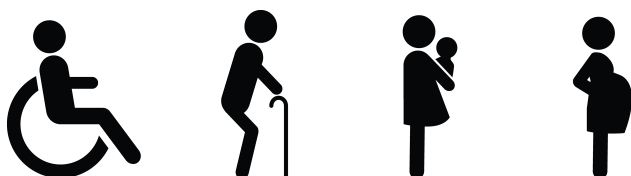
Results

In our parking facilities we have allocated multiple spaces for motorists with special needs, whether they are parents with young children and buggies or passengers with reduced mobility.

In 2018, we started to collect this information in our back-office systems for display on the country websites per parking facility.

In 2019 we allocated more parking spaces in our owned and long-leased (O+LL) parking facilities (PFs) to people with reduced mobility and more of these PFs have lifts.

Chart 4: O+LL PFs providing access for PRMs

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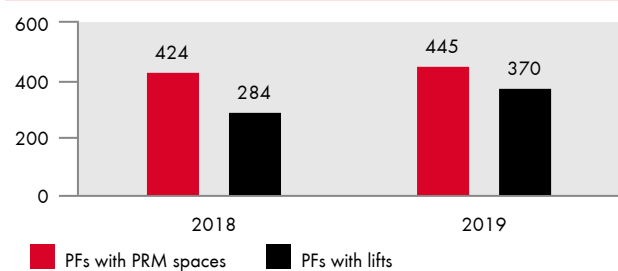
2   https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/3695/inclusivemobility. pdfcommitted

Mobility hubs keep cities moving

Mobility hubs are busy places where travellers arrive and depart by different modes of transport, such as bicycle, car, train, or plane. Mobility hubs help cities to be accessible and liveable. Q-Park wants to help customers complete their journey as conveniently as possible so this is the place to provide additional services for car parking customers.

Besides ample parking facilities with the Q-Park signature features, fundamental services such as AEDs and toilets are available too. These services contribute to the customers' sense of safety and convenience.

Mobility hubs also feature:

▌ **Kiss + Ride zones**: Customers can park here for a brief period to drop off or pickup family and friends, or a ride share. These facilities have a longer grace period so customers don't have to worry about overstaying their welcome.

▌ **Lockers**: Customers can leave luggage and shopping while using amenities in the vicinity.

▌ **Parcel walls**: These are special lockers filled by parcel delivery services who give their customers a digital key to open the door and thus take delivery of their online purchase. This logistic facility contributes to reducing parcel delivery mileage and emissions, while offering added convenience to customers who order online.

Services increase accessibility and liveability include:

▌ **Pickup points**: as a service, stores in the shopping centre can deliver shopping and/or bulky goods to the pickup point. The customer drives by to collect their goods on their way out.

▌ **Refrigerated lockers**: for perishable goods. At some inner-city locations this service is used by restaurant suppliers to make early-morning deliveries, avoiding congestion.

Integrated mobility issues are becoming more important to municipalities. Their primary concern is how to improve accessibility and, at the same time, reduce congestion and emissions. Integrated off-street parking solutions with public transport and bicycle parking provide answers in the short and longer terms.

We also engage in talks with potential partners wanting to offer car sharing, e-bikes or car charging services.

Results

Our proximity to alternative mobility options has increased further, particularly in France. We now have 160 owned and long-leased Park+Ride (P+R) parking facilities (2018: 110). The number of PFs with bicycle parking has increased considerably, from 11 in 2018 to 94 in 2019.
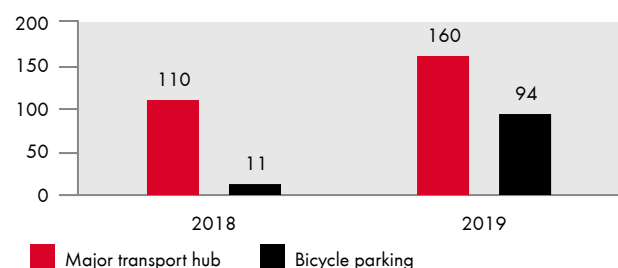
Chart 5: Park+Ride and bicycle parking

Figure 9: Mobility hubs with Lockers & Pickup points

Figure 10: Proximity to alternative mobility options

29

Off-street parking

We are passionate about space, about people and about the living environment. We are passionate about enabling people to move around.

We provide space to park cars at locations where people want to be. At places where they want to walk, cycle, exercise or play sports; where people want to socialise or just enjoy the surroundings and at places where they can enjoy nature, leisure and culture in its full glory.

Figure 11: Israels Plads - Copenhagen (DK)

Off-street parking facilities reduce the amount of traffic searching for a place to park, which, in turn, has a positive impact on emissions and air quality in city centres.

Wherever possible, we give the public space back to the community and enable people to use space as they see fit. This means that parking facilities are constructed under parks and squares so that cars and coaches are off the streets and out of sight. And this means that public spaces that were previously packed with parked cars can now be returned to the community, improving liveability for all.

Figure 12: Bruul - Mechelen (BE)

The public space in squares and parks that are free of cars because parking is beneath the surface can be used by the local community for a wide variety of activities such as daily walks, weekly markets, monthly activities, as well as for annually recurring events such as music festivals and carnival parades.

By moving car parking to underground facilities we create value for public and private landlords, commercial partners, citizens and motorists who recognise that off-street underground parking is an essential link in the mobility chain.

- By investing in off-street car parks we help maintain accessibility of urban areas.
- By taking parked cars and bicycles off the streets we help enhance the liveability in cities and towns.

Results
Of our 688 owned, in concession and long-leased car parks, two-thirds 383 (55%) are underground.

🌐 Article: Can we replace grey with green? Yes we can!

🌐 Article: Passionate about space.

Functional quality

24/7 Service
Most Q-Park parking facilities are open 24/7 for motorists to park and retrieve their car.

That's why we offer an international help desk to motorists that is available 24/7. The QCR gives customers instant access to multi-lingual Parking Hosts centrally operated by Q-Park.

They provide help and support with queries relating to the payment system or to accessing or exiting the parking facility.

The QCR is in contact with Parking Hosts and Mobile Teams in the vicinity of the parking facility. If a customer needs assistance that cannot be given remotely, the QCR will dispatch a Parking Host to assist at the location itself. For mechanical problems, the service department and service technicians can be called in to help.

Figure 14: Q-Park Control Room (QCR) - 24/7 service

Results

In total we have 1,011 (2018: 962) parking facilities offering 24/7 services.

Figure 13: Parking Host on-site

On-site services

Our aim is to foster mobility and enable access to essential urban functions in conjunction with sustainability concerns. Each of our parking facilities provides a number of on-site services. These are listed on the parking facility's website page so customers know in advance what services they can expect to find.

From our recurring customer satisfaction surveys we know that customers value the presence of AEDs. The AEDs should be located at a logical, secure and accessible place so they can be used by trained volunteers or medical personnel when needed.

Our customers greatly appreciate toilets being available in or near our parking facilities. Toilets are present in the car park or there is clear signage directing people to the nearest toilets, for example in shopping centres.

Customers who drive electric vehicles or plug-in hybrids like to recharge their vehicle while parking. We support the use of more sustainable passenger cars by providing charging stations for electric and hybrid cars at many of our facilities.

Another highly appreciated service is the presence of jump leads. The Parking Host or Mobile Teams has access to jump leads and are available to help customers who find themselves with a flat battery. If the Parking Host is not at the parking facility, customers can call the QCR who will dispatch a Q-Parker to assist.

The QCR is also available to help customers with problems at the payment machine or access and exit barriers. Naturally, the QCR is available 24/7 and all our QCR Parking Hosts speak two or more languages so we can always help customers in their first or second language.

We want to play a role in ensuring sustainable freedom of movement and mobility options for citizens, which is why we offer parking for cars and bicycles at public transport nodes. We seek active cooperation with local authorities as integrated mobility improves accessibility and, at the same time, reduces congestion and emissions.

We use closed-circuit television (CCTV) both for security purposes and for automatic number plate recognition (ANPR). Because CCTV can record the activities of individuals, its use is regulated by the EU Data Protection Directive, as transposed into law in all EU countries. The CCTV system is designed to satisfy a specific and legitimate purpose – such as recording the entry and leaving time of vehicles.

We ensure that cameras are located so that they do not capture images that are not relevant to our purposes. Where we install cameras, we make it clear to people that they or their cars are on camera.

More about our CCTV & ANPR code.

Figure 15: On-site services communicated online

Opening hours

Day	Entry	Exit
Monday - Sunday	24-7	24-7

Services

Electric charging point	AED
Bicycle parking	CCTV in operation
Help point	Information
Jump leads	Motorcycle parking
Tap & Go	

Parking Facility Payment Methods

Results

We started to collect details of our on-site services per parking facility in our new back-office systems in 2018. At the end of that year, not all countries had registered services properly. During 2019 the countries have been updating this information; however it is too soon to deduct trends. This will be followed-up in 2020.

We are pleased to report that in 2019 we were able to place potentially life-saving AEDs in an extra 16% of our

Chart 6: PFs with AED available
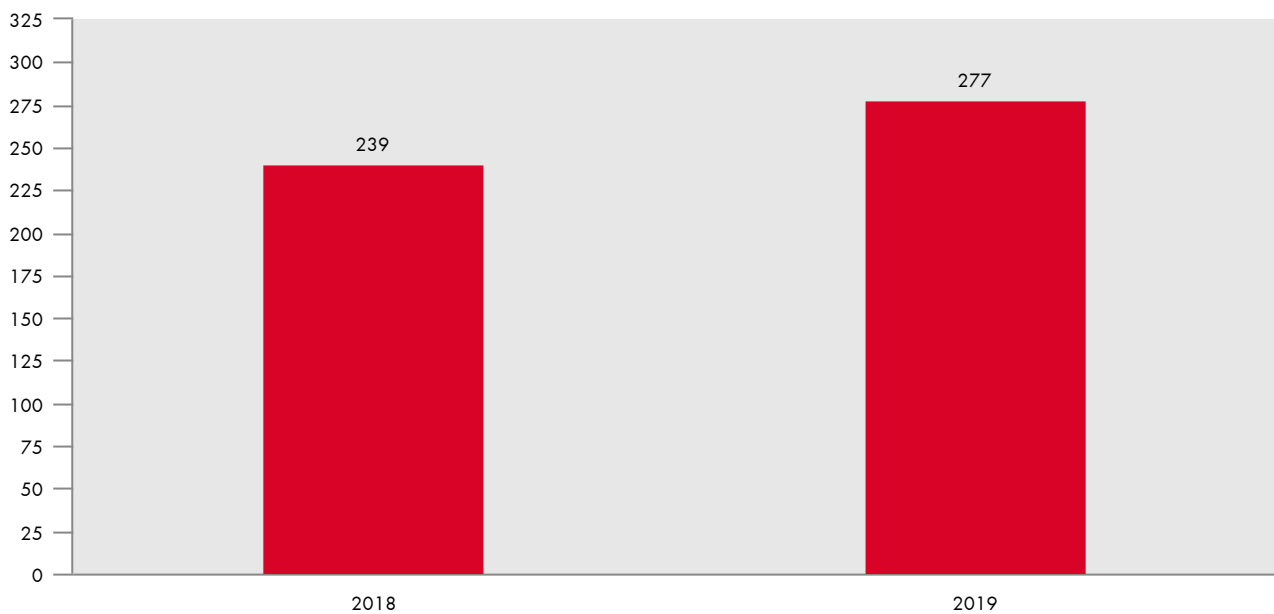
Chart 7: PFs with toilets or directions to toilets nearby
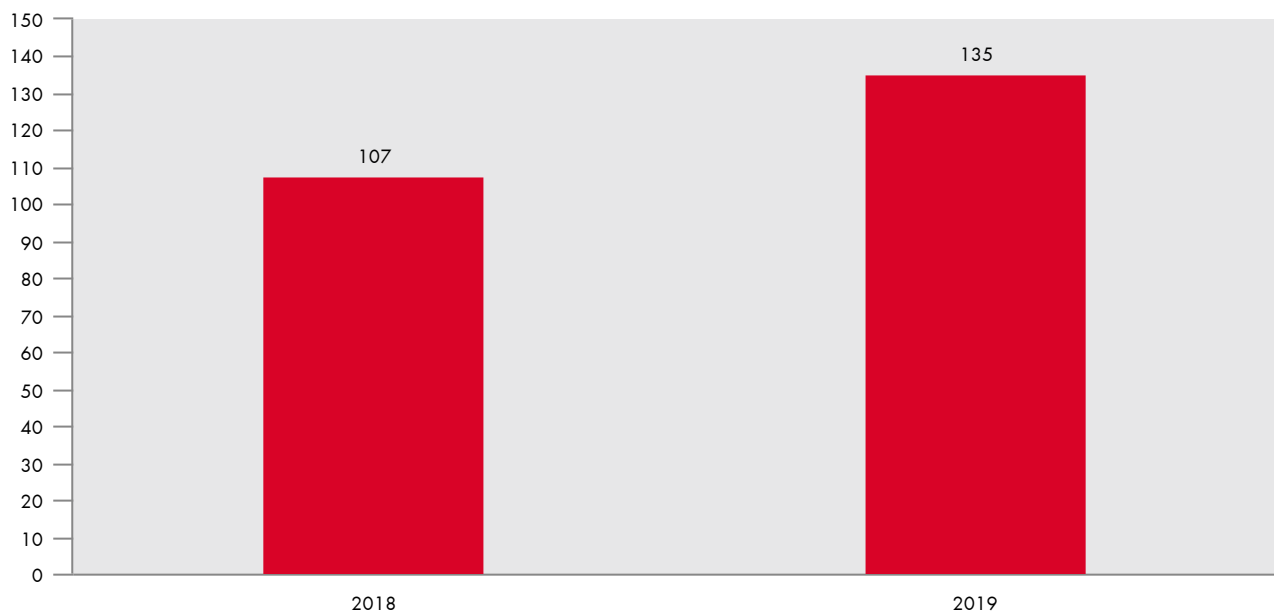
O+LL PFs. Our Parking Hosts receive regular first-aid training, which includes AED use.

Toilets are perhaps the most appreciated on-site service we provide. In 2019 we added toilets or signage to nearby toilets. We are pleased to report an increase of 26% for this much valued amenity.

We are continually adding to our services to keep motorist mobile. In 2019 jump leads were available in 12% more of our parking facilities. Either via the Parking Host or via the Mobile Teams. Customers who need help getting their car started can call the QCR who will then send a Q-Parker to assist.

Chart 8: PFs where jump leads are available
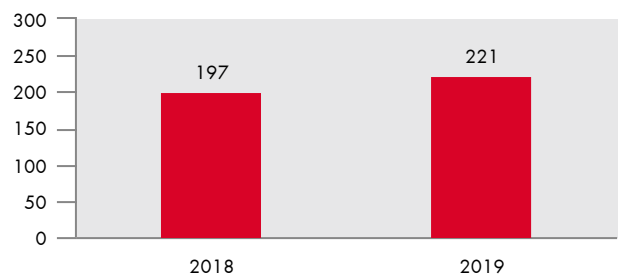
During 2019 we installed CCTV in an additional 14% of our parking facilities. CCTV increases the security of the car park for our customers and employees alike. We apply strict rules to the use and storage of image data in accordance with the EU Data Protection Directive (GDPR).

More about our CCTV & ANPR code.

Chart 9: PFs with CCTV monitoring
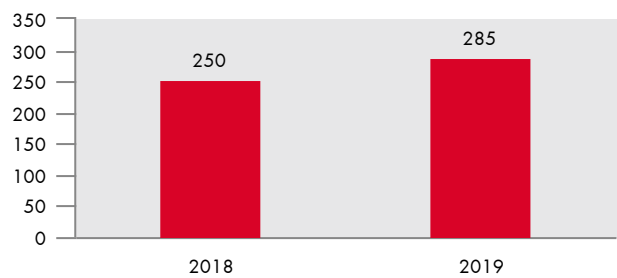
VALUE CAPTURING

Our financial performance

Significant portfolio developments

Based on strategic considerations Q-Park has disposed of its Nordics business consisting of the operations in Sweden, Norway and Finland as per 30 April 2019. The Nordic operations had a different business profile with a strong focus on short-term contracts and control fee business.

With this disposal, the remainder of the company has become more focused on infrastructure with the business processes in each country being more comparable. This enables us to focus on our core strategy and realise greater synergyy in our business operations.

Net revenue

The adjusted net revenue shows a solid increase of EUR 21.2 million up to EUR 674.0 million (2018: EUR 652.8 million). The increase is driven by a strong like-for-like revenue growth of the existing parking facility portfolio of 3.4%. Furthermore, there was a

positive contribution of newly acquired contracts that were added to portfolio.

Chart 10: Net revenue

(x EUR million)

	2018	2019
	652.8	674
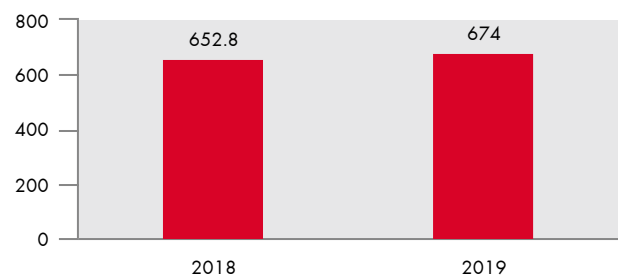
Parking revenue

Of our total revenue 91% (EUR 616.3 million) comes from short-term and long-term (season tickets) parking activities. Our total parking revenue consists of:

▌ 77.7% short-term parking;
▌ 22.3% long-term parking.

Chart 11: Parking revenue

(x EUR million)

- short-term parking
- long-term parking
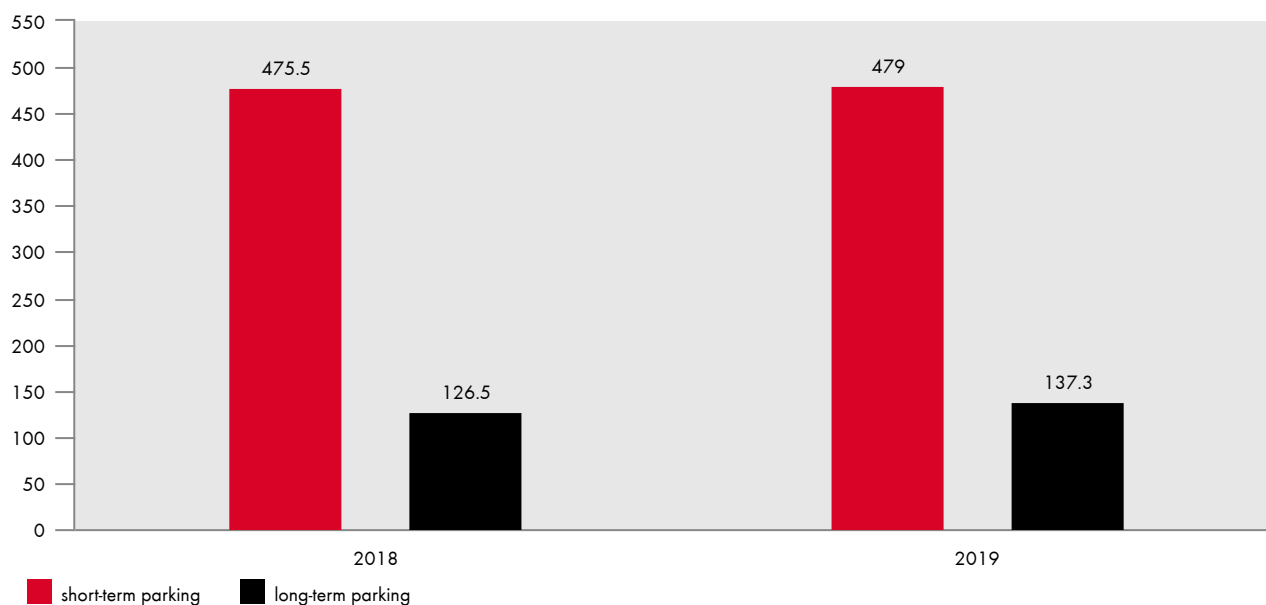
Operating results

The adjusted operating result amounted to EUR 223.6 million (2018: EUR 204.5 million).

Cash flow

The total cash flow amounted to EUR 220.8 million versus EUR -34.7 million for the full year in 2018.

Chart 12: Operating result

(x EUR million)
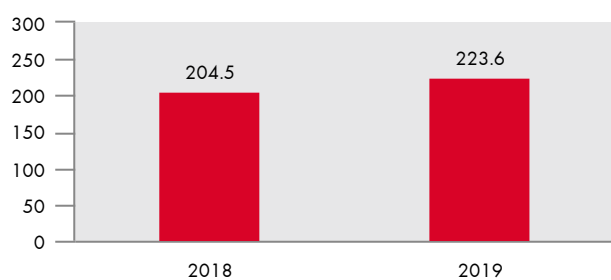
Chart 13: Cash flow from operating activities

(x EUR million)
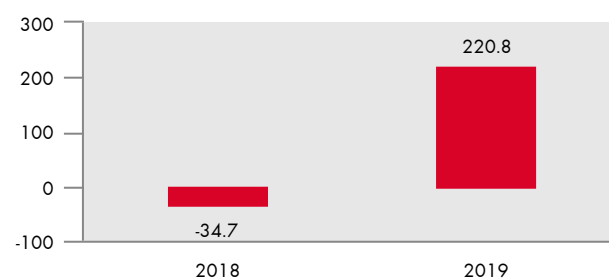
Smart contracts

We capture value for public and private landlords by offering a range of contract types and value propositions. We operate parking facilities that we own, have in concession, lease or have under a management contract.

Results

Of the 1,011 owned, in concession, long-leased, short-leased and management contracts:
- 688 (68.1%) owned, concession or long-leased
- 172 (17.0%) short-leased
- 151 (14.9%) management

Strategic locations

We capture value for all our stakeholders through our portfolio of purpose-built and off-street parking facilities at strategic locations: in or near multifunctional inner-city areas, at public transport interchanges, and at hospitals.

In cities where we operate a certain number of car parks, we become a highly efficient parking operator and profound mobility partner. We can then engage in meaningful dialogue with other parking and mobility partners, including:
- providers of parking route information systems;
- urban planners regarding capacity of parking spaces needed and routing traffic;

Figure 16: Offering a range of smart contracts

public and private landlords to efficiently integrate and operate their car parks in our portfolio;

those offering shared cars and bicycles and public transport providers;

parking tariff policy makers.

With our integrated and connected expertise, municipalities can take multiple measures to:

reduce traffic searching for a place to park;

improve air quality and reduce emissions;

provide for sufficient parking capacity and proper usage, both on and off-street;

create a more liveable urban environment.

Results

We have defined strategic cities in all the countries where we operate. These cities have five or more purpose-built off-street parking facilities, clustering facilities in our strategic cities significantly increases our operational efficiency. In 2019 we were able to expand our portfolio, and in our strategic cities in particular bringing the total to 42 (2018: 38).

Strategic cities per country (in alphabetical order):

Belgium – Antwerp and Brussels

Germany – Berlin, Darmstadt, Düsseldorf, Hagen and Saarbrücken

Denmark – Aarhus, Kopenhagen and Odense

France – Aubagne, Brest, Castres, Chalon sur Saône, Chambéry, Chartres, Colombes, Epinal, Issy Les Moulineaux, Marseille, Montauban, Montigny le Bretonneux, Paris, Saint-Étienne, Sèvres, Toulon and Valence

Ireland – Cork

Netherlands – Amsterdam, The Hague, Eindhoven, Groningen, Heerlen, Hoofddorp, Maastricht, Rijswijk and Rotterdam

UK – Glasgow, Liverpool, London, Manchester and Sheffield

Environmental footprint

Globally, at the current rate of consumption, 157% of the natural resources on the planet are being consumed. This means that an Earth and a half would be needed to maintain humanities environmental footprint. In order to preserve the world's remaining resources, it's crucial that everyone contributes to reducing our consumption.

Q-Park aims to have reduced its energy consumption in 2020 by 25% compared to the 2016 baseline, thus reducing our environmental footprint significantly. We manage our environmental impact by reducing energy consumption and by introducing energy-saving technology such as LED lighting with smart switching controls in our parking facilities.

Figure 17: Strategic locations

Figure 18: A measure to reduce energy - a traffic cone

Chart 14: CO_2 emissions (tonnes) per type of structure

	Above ground	Below ground	Terrain	Total
2015	9,527	17,046	925	27,498
2016	9,749	16,529	1,054	27,333
2017	7,981	19,682	284	27,946
2018	8,261	16,290	244	24,794
2019	7,998	15,578	201	23,778
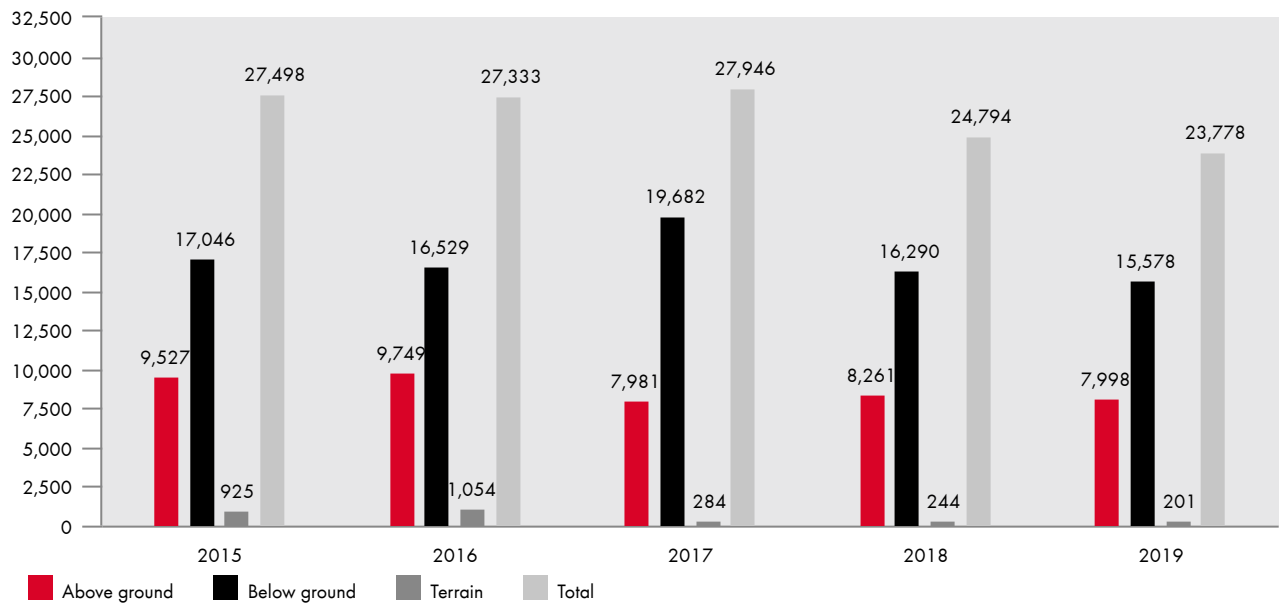
Our lighting systems switch to brighter lighting when movement of cars or pedestrians is detected. In addition, when no cars are present in part of the car park, lighting is automatically dimmed to emergency levels.

We also take simple operational measures to increase the efficiency of our parking facilities. For example, in quiet periods, we temporarily close off parking decks until the number of available spaces on the decks in use reach a certain minimum. We can do this simply by placing traffic cones in the entrance.

We report greenhouse gas (GHG) emissions according to the GHG Protocol. This means we report on scope 1, 2 and 3.

Emissions

Q-Park wants to contribute to lowering CO_2 emissions as this contributes to the general quality of life, and that in urban areas in particular.

Results

In 2019 we reduced our carbon footprint per parking space in owned and long-leased parking facilities by 12% compared to 2018. This further reduction can be attributed to our LED programme and operational measures designed to increase overall efficiency.

Chart 15: CO_2 emissions (kg) per parking space per type of structure

	2015	2016	2017	2018	2019
Above ground	165	163	144	120	106
Below ground	172	164	163	127	112
Terrain	63	70	44	21	17
Average	160	156	153	119	105
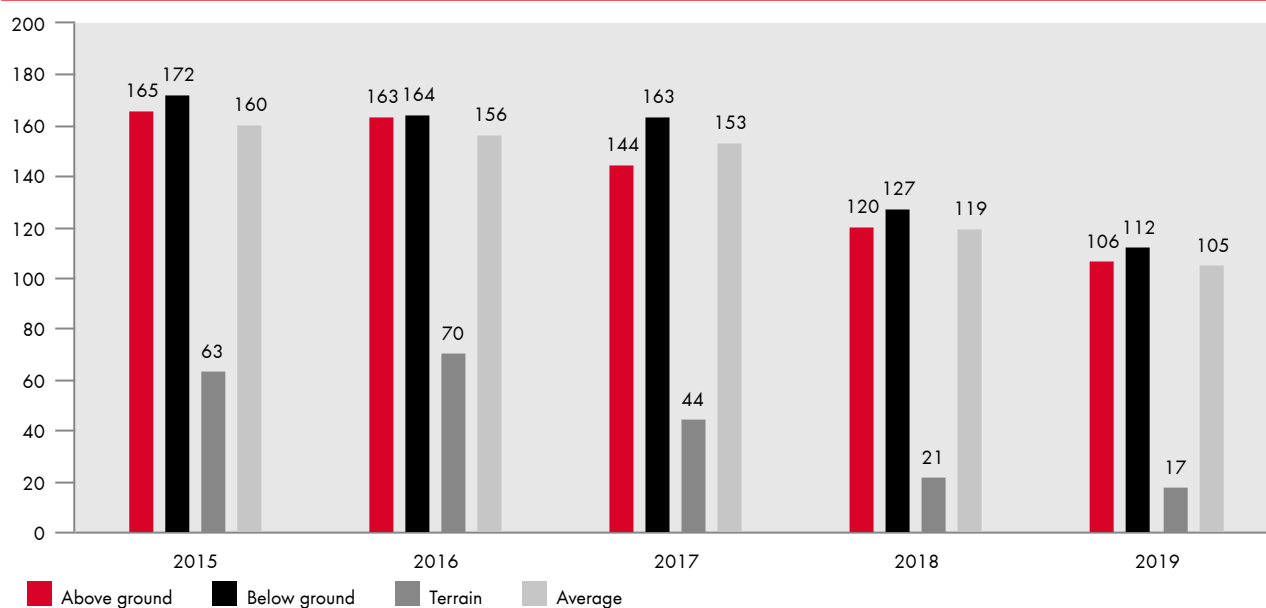
Chart 16: Total greenhouse gas emissions (GHG) in tons CO_2

Legend: Total GHG in (tCO_2) ■ Scope 1 in (tCO_2) ■ Scope 2 in (tCO_2) ■ Scope 3 in (tCO_2)
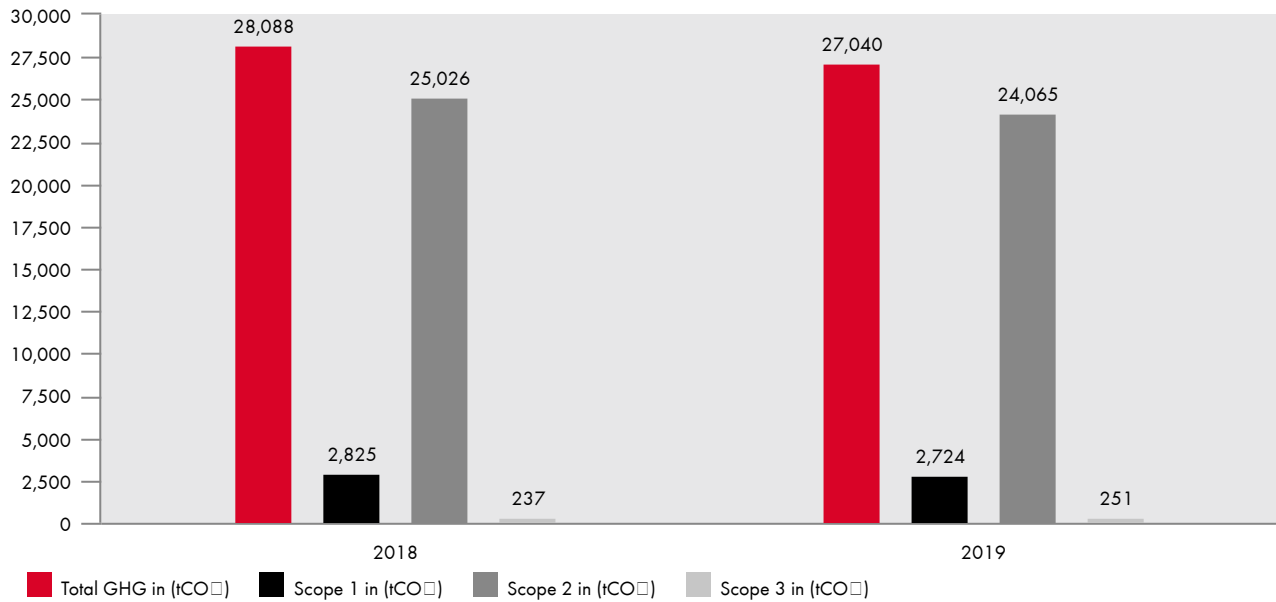
Our car fleet

Our car fleet is slowly changing as we replace diesel cars at the end of their useful life span.

Results

In 2019 we shed another 8 diesel cars as their lease contracts expired and added 2 all electric vehicles to our fleet bringing the total to 55 e-cars.

Chart 17: Car fleet

Legend: ■ Petrol ■ Diesel ■ LPG ■ Hybrid ■ Electric vehicles
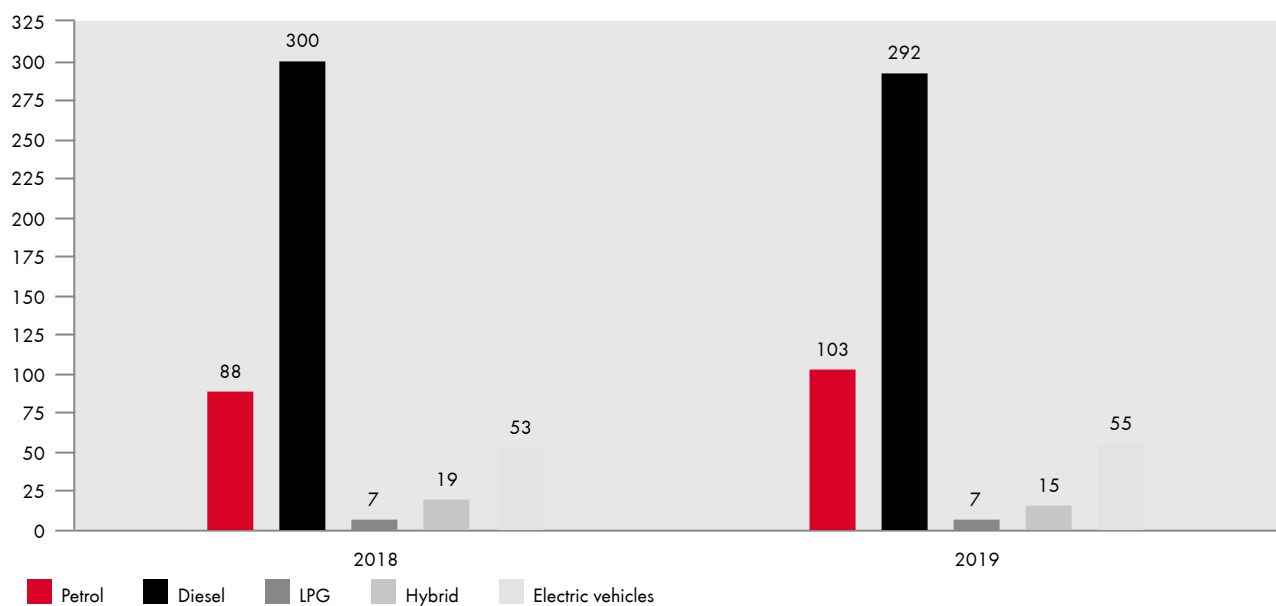
Energy efficiency

Q-Park is a large consumer of electricity, both for lighting and operational equipment, as well as for charging electric cars. We have an energy-saving programme in place to implement measures for reducing energy consumption.

The Q-Park energy-saving programme is demonstrating clear benefits – in financial terms as well as in our environmental impact. We procure our energy on a larger scale by means of a central purchasing policy and have operational action plans to consume fewer kWh ourselves.

Furthermore, towards the end of 2019, renovation of the Veerkaden parking facility in the Netherlands was complete. This is the first 100% energy-neutral car park. The transformation means that the parking facility is sustainable and future-proof for all its energy needs.

More about the 100% energy-neutral car park.

Results

In 2019 the total amount of energy, measured in GWh, that we consumed in our owned and long-leased parking facilities (OLL PFs) decreased by 2%.

LED transformation

In 2019 Q-Park completed its LED transformation project to accelerate the transformation to energy-efficient LED lighting in selected parking facilities. It's thought to be the largest project of its kind in Europe.

We required durable, consistent quality lighting with a long warranty of at least 10 years on every lighting product we use and we've specified differing lighting levels for different purposes in the various areas within a parking facility to meet or exceed statutory requirements as follows:

- 85 lux - parking spaces, driving aisles
- 100 lux - staircases, lift lobbies, toilets
- 200 lux - parking equipment areas
- 300 lux - payment areas
- 75 lux (night time) and 300 lux (day time) - transition light at car access and exit areas

Chart 18: Total GWh consumed by OLL PFs
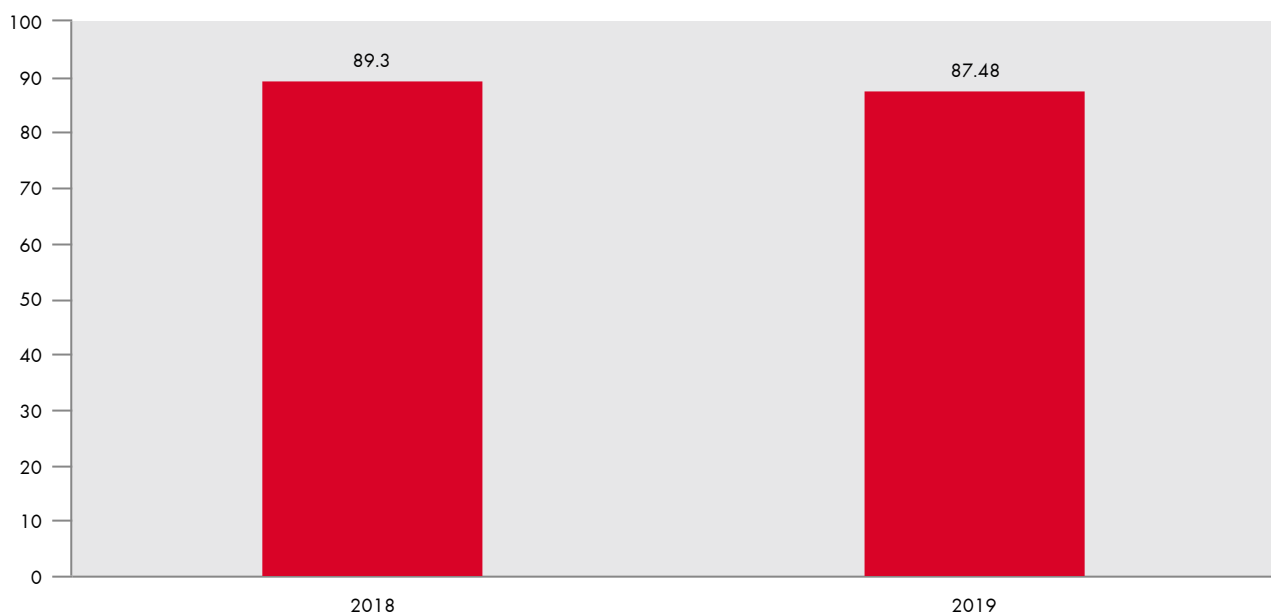
to allow motorists time to adjust their eyes to differences in light levels

| Kelvin light colour temperature - 4,000K

Measurable reductions - example
Berlin-Alexanderplatz

| Re-engineering installed in June 2019
| Average reduction in kWh consumption 42%
| Average reduction in EUR costs to date 53%
| Carbon footprint reduction 25%

Our measurable results clearly show that investing in energy-saving lighting solutions makes sense. Not just for shareholders but all stakeholders, including the societies in which we operate.

🌐 More measurable reduction examples.

Phase II
We have identified a **further 93 parking facilities** for our LED transformation **Phase II** to be analysed. The final list for implementation by year end 2020 will be based on underlying business cases. We realise that these sites will have a longer pay-back time but the potential savings are still interesting enough for us to invest even more in LED lighting.

Figure 19: LED example kWh reduction
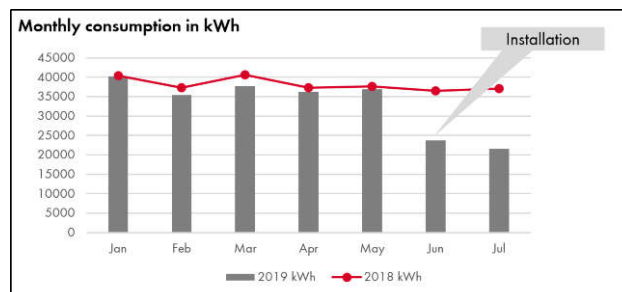
Figure 20: LED example cost reduction
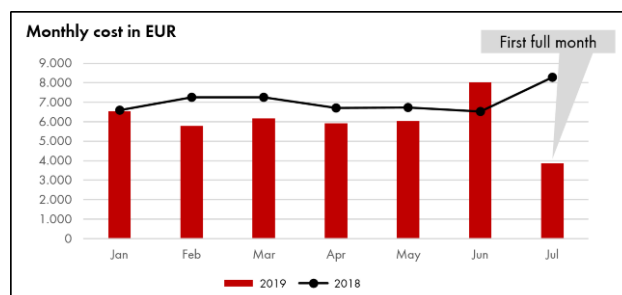
Figure 21: LED example before redesign

Figure 22: LED example after redesign

Results

At the close of 2019, another 169 of our parking facilities were fitted with energy-saving LED lighting (2018 and 2017 combined: 59). In the seven countries in which we operate, we have fitted more than 300 of our parking facilities with energy-saving lighting solutions, of which 228 with LED lighting.

We've done a thorough analysis on the 169 LED installations in 2019, comparing the difference between the 2018 pre-installation kWh data and the 2019 post-installation kWh data. Overall, we have achieved a 35% saving on electricity consumption.

From 2020 onwards, we expect to save at least 15 GWh per year, that is more than 4,241 tons of CO_2 emissions - just from having installed LED lighting.

LED - Proven energy efficiency.

Click here for our LED Showcase.

Parking products

Short-term parking

We serve about a million customers every day and most of them just take a parking ticket or use their bank card to access and exit our parking facilities.

Most customers visit us 2 to 4 times a month which makes it very convenient for them to use services without having to register or log in. They can come and go as they please, knowing that their car is parked safely near a location where they want to be.

Results

In 2019, of our total parking revenue 77.7%, EUR 479.0 million (in 2018 EUR 475.5 million) was derived from short-term parking.

Long-term parking

We offer a wide variety of long-term parking options in the form of season tickets for our customers who park with us frequently and who are looking for a more economic and convenient parking solution.

I   Nights + Weekend products for residents.
I   Office solutions for employees.
I   Retailers may want a 6x24 hours solution.

We have added more flexible options for short periods and season tickets. We offer season tickets for a month or quarter for customers wanting greater flexibility.

Results

In 2019, of our total parking revenue 22.3%, EUR 137.3 million (2018 EUR 126.5 million) was generated from season ticket sales.

Pre-booking

We offer pre-booking services for our customers via our own sales channels, the country websites. We have various customer value propositions (CVP) available

Table 1: kWh & CO_2 savings

Country	PFs	Actual % kWh reduction	Monthly kWh savings	Emission factor (kg CO_2e/kWh)	Monthly CO_2 savings (in kg)
NL	51	34%	541,464	0.399	216,017
DE	19	25%	72,384	0.472	34,152
BE	17	43%	135,169	0.189	25,602
UK	27	23%	105,560	0.256	26,981
FR	38	42%	341,314	0.059	20,015
IE	6	39%	30,896	0.419	12,953
DK	11	31%	60,589	0.293	17,755
Total	**169**	**35%**	**1,287,377**		**353,476**

online, for example an afternoon in the city, station parking for the first and last part of a journey, or special deals for a weekend away.

Figure 23: Various customer value propositions
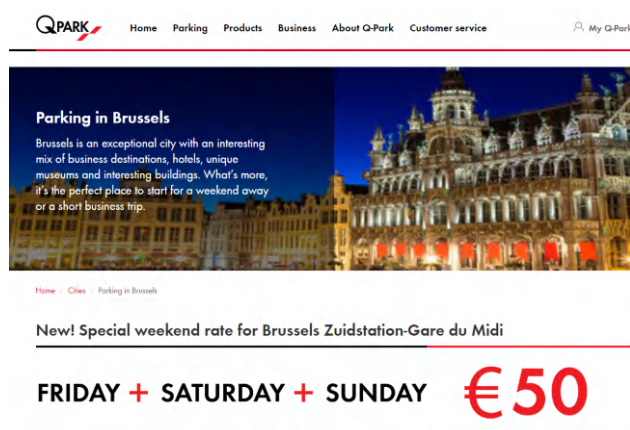
We also offer pre-booking services to customers of our commercial partners via their sales channels. All they need to do is to integrate our pre-booking API into their own customer offering. For example, customers like to:

I   book theatre tickets and an evening parking ticket in one smooth flow;

I   book their holiday and a few days or weeks parking at an airport.

The number of pre-booking transactions continues to grow annually as does the number of commercial partners seeking to connect and integrate with our seamless pre-booking parking solutions.

Results
We have 221 parking facilities offering pre-booking services online.

🌐 Click here for the PaSS PlatePay explanimation.
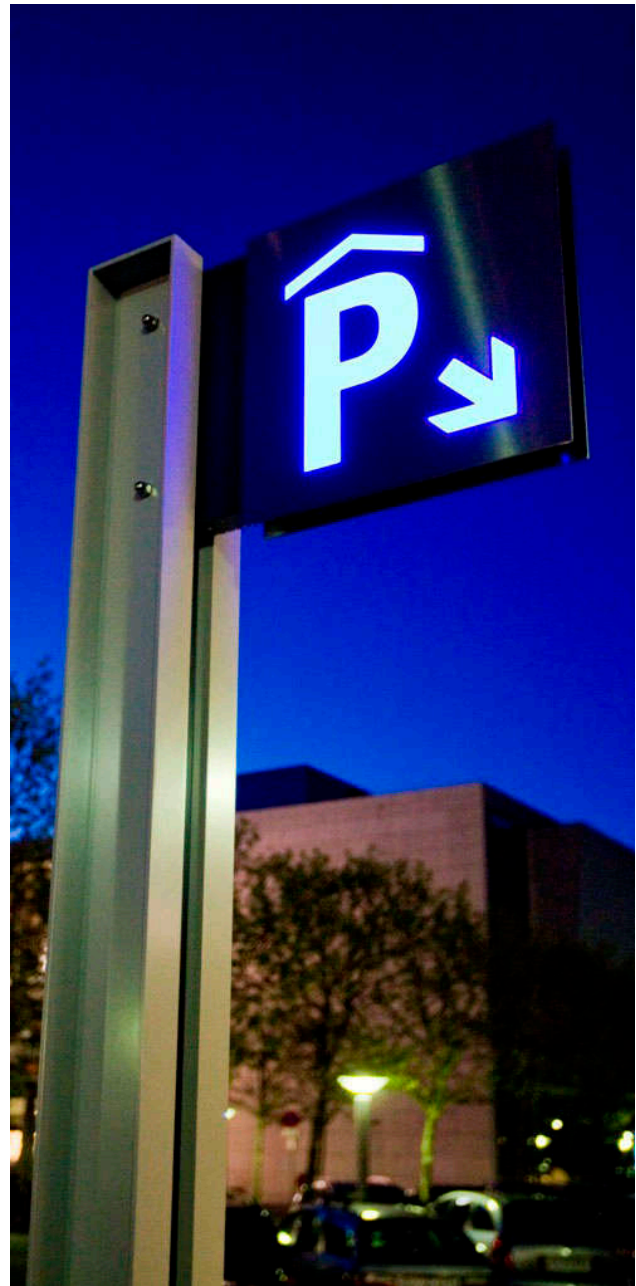
VALUE SHARING

Parking information

Q-Park aims to provide as much information as possible about its parking facilities, services and POIs to visitors at the location itself and online for customers who wish to be informed ahead of time and plan their trip.

Services
We have created a useful place for all this information in our back-office systems which feed the country websites. Besides mentioning popular destinations nearby, the information presented includes:

| number of parking spaces, including those for blue badge holders
| drive through height
| number of e-charging stations
| parking tariffs and options for pre-booking and season tickets
| services provided, such as AED, family parking, and toilets

Results
In 2019 we now have 789 (2018: 480) parking facilities providing the most sought-after information online.

The increase in 2019 can mainly be attributed to countries adding information in our back-office systems. In 2018 we were lacking information from Germany and France.

Chart 19: PFs providing online information
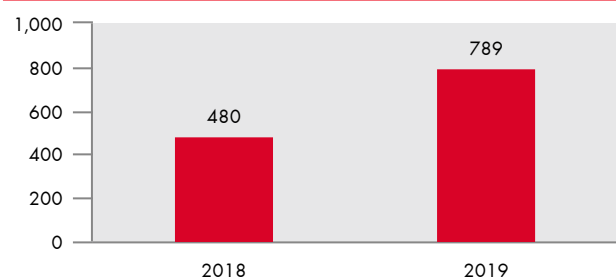
Points of interest
Identifying and listing points of interest (POIs) in the vicinity of a parking facility is not an easy task but it is something we at Q-Park do diligently.

We have integrated smart and intuitive search engine functionality in our websites and we also indicate how long the walk is to the final destination.

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We Develop Quality

Creating value by listing POIs

Results

In 2019 we listed 734 (2018: 653) POIs (excl. France) which are near to our parking facilities. The online information provided includes walking distance, parking tariff, navigation information, enabling motorists to make an informed decision of where to park.

Chart 20: PFs within 15 minutes of city centre or POI

Year	Value
2018	162
2019	287
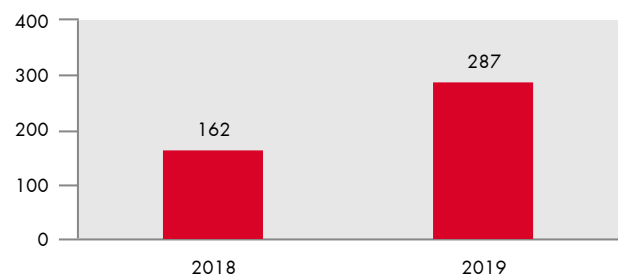
E-charging

Electric vehicles (EVs) have become part of the cityscape — they are here to stay for the foreseeable future. EVs need to park just as petrol and diesel fuelled cars do. The difference is that motorists want to recharge their car's batteries while parking.

The EV not only occupies a parking space, but it may hog an e-charging point even when it's fully charged. And this poses societal dilemmas.

Societal debate on e-charging behaviour

The charging behaviour of electric vehicle motorists continues to be a topic of societal debate. One major source of irritation is charge-point 'hogging': when cars that are fully charged block charging stations for hours. The Dutch Association for Electrical Vehicle Drivers (VER) and some major energy companies think the problem can be solved by imposing an extra charge for people who 'hog' charging stations.

A survey by PitPoint Clean Fuels and two Dutch academic institutions indicated that people would move their cars if they had to pay more once the battery was fully charged. The counter-argument is that when customers park and charge their e-car to visit a theatre or a restaurant they are unlikely to interrupt the evening to move their car when it's fully charged and would accept the 'fine' as part of the costs of their evening.

The number and complexity of contracts between charging point suppliers, energy companies and e-charge providers in Europe also impede transparency, which is a precondition for introducing any extra costs for customers.

Q-Park e-charging service dilemmas

We also have paying guests who park their petrol or diesel car on a charge-point parking space – we are experimenting with measures, social or otherwise, to nudge our customers to park their car in the right type of space.

Our service is all about 'no worries' after parking your car. We don't want our paying guests to return to the parking facility just to re-park their fully charged EV car.

The service offered by EV-charge providers conflicts with ours. We are talking with all parties concerned to devise a holistic solution.

Smart charging outside peak times
The timing of e-charging is another issue on the minds of local authorities. A survey into the charging habits of e-motorists indicated that the numbers of people charging their e-vehicles at the same time (usually between 18:00 and 22:00) could overload the power grid and reduce the beneficial environmental impact of electric vehicles.

Since the potential growth of EV cars will only intensify this problem, two Dutch provinces want to install 4,500 smart charging stations in 44 municipalities to make it more attractive and convenient for motorists to charge their cars outside peak times.

Exponential growth
In the last decade, e-mobility had the chicken and egg problem, not enough customers buying electric vehicles for the lack of ubiquitous public charging infrastructure, and not enough EV charging infrastructure in place because of too few electric vehicles on the road. However, thanks to favourable policies and advances in technology driving down the price and driving up the speed and performance of electric vehicles and

EV charging stations, the picture of electromobility in Europe has changed drastically.

Add to that increased collaboration among energy companies, automobile companies, and EV charging equipment manufacturers, the number of EV charging points in Europe stands at 170,149 in 2019 from just 3,201 in 2010; the biggest growth being registered from 69,094 in 2015 to 132,114 in 2016.

The countries in which Q-Park operates now have substantial numbers of charging points and additional charging facilities are still being added.

Europe is already ahead of the goal of one charging station per 10 electric vehicles. However, the infrastructure must continue expanding to cater to the growing number of electric vehicles that hit the road each year. It is estimated that by 2025, 14% of all light vehicles sold in Europe would be electric.

In Europe, 79% of the public charging infrastructure is operated by utilities and oil companies.

Source; https://www.prosperoevents.com/our-services/item/398-electric-vehicle-charging-infrastructure-in-europe

There's more to EV charging than meets the eye

We continue to monitor market developments regarding EV charging and to conduct our own research. Governments throughout Europe are introducing regulations regarding the availability of e-car charging points in purpose-built car parks and on-street.

We want to be prepared so we meet the requirements. This means that when we conduct major refurbishments to any of our parking facilities, we include e-charging stations were relevant.

Targets & Actions

We have defined the following ambitions regarding e-charging. We will continue to increase the numbers of:
I   parking facilities with e-charging stations by at least 10% per year till 2025;
I   e-charging stations by at least 10% per year till 2025;
I   e-charging stations based on an international e-charging policy, to be created by the expert team 'Energy Management'.

In addition, we have plans to:
I   improve definitions and reporting as there are various interpretations of e-charging stations.
I   embrace new technology to face e-charging challenges related to grid capacity and human behaviour aspects.

Results

In 2019, Q-Park had 1,008 (2018: 586) e-charging stations in more than 217 (2018: 115) parking facilities, an increase of 72.0% and 88.7% respectively.

Chart 21: E-charging stations

PFs with charging stations   Total # charging stations
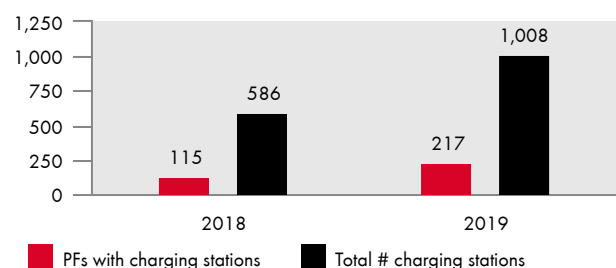
🌐 More about our thoughts on EV dilemmas.

Digital services

PaSS PlatePay
In 2019 we implemented our innovation PaSS PlatePay in most of our parking facilities in Belgium and in a few parking facilities in the Netherlands, enabling pre-booking propositions for Park+Fly as well as Event Parking.

This innovation relies on ANPR to grant customers access to the parking facility. They do not need to present their bank card or take a ticket, and as the parking is automatically paid for, they can simply drive to the exit barrier. Our systems recognise their number plate and open the barrier.

PaSS PlatePay is very easy to use. Customers register their number plate in the mobile-app of their choice to access and exit a Q-Park parking facility by means of their number plate which is connected to a payment method. There's no need to wind down the window to take a ticket or present a payment card.

This innovation allows us to create partnerships with payment providers who seek to provide additional services for their customers. This innovation enables our customers to:
- Effortlessly access and exit our car parks
- Use their preferred payment method
- Pre-book their parking space:
  - At a favourable rate
  - Be assured there is a space for them

Results in 2019
- Q-Park Belgium:
  - 35 parking facilities equipped for PaSS PlatePay
- Q-Park Netherlands:
  - 2 parking facilities equipped for Park + Fly
  - 4 parking facilities equipped for Event Parking

Figure 24: Parking as a Smart Service

Digital payments

Cashless and contactless payments
In response to changes in customer needs and behaviour, digital and payment trends, and the evolution of smart cities, we are constantly developing our parking management systems and our operational processes. We have offered various cashless and contactless payment options at all our parking facilities since 2016.

Naturally, on accessing the car park, a motorist can still take a traditional paper ticket and pay by cash or card at a Pay-On-Foot (POF) machine before driving to the exit, but cashless and contactless payments continue to gain in popularity.

Cashless and contactless payments enable motorists to access and exit a parking facility using their payment card, just as they would pay for their groceries. This contemporary way of paying for parking enhances the customer experience and at the same time makes our payment transaction systems future-proof.

Top four advantages for the customer:
| Customers can access and exit the car park using their debit or credit card, partner loyalty card, or smartphone
| Customers save time as they don't have to go to the Pay-On-Foot machine
| No paper ticket to lose
| No need to carry change

All these developments reduce the total investment and cost of ownership of the parking management system, making a cashless and contactless barrier system even viable in smaller car parks. Some car parks are even 'cashless only'.

Results
All of our owned and long-leased parking facilities offer digital payment options.

Validation
We offer a number of schemes to assist our purpose partners. We call this validation – it means that our partners can reimburse their customers for all or part of their parking fee. This may be in the form of a free exit ticket or specific time or value reduction on a parking transaction. For example:
| First hour for free when they spend EUR 20 or more at a grocery store;
| EUR 2 discount when they spend EUR 20 or more at a fashion store.

Q-Park UK has launched a loyalty programme in conjunction with purpose partners.

Q-Park customers can easily earn benefits using the Q-Park Rewards app. Customers register their bank card in the app and use that card to pay for parking at Q-Park or one of the many high-street retail partners. Q-Park tracks the payment and gives the customer rewards and benefits based on the amount spent on parking.

Q-Park UK has teamed up with a number of national retailers where customers can earn cashback rewards when they pay with their registered bank card.

VALUE RETENTION

Compliance

We aim to comply with national and European laws and regulations regarding our industry. Our risk management policy states that we are averse to the risk of non-compliance with relevant laws or regulations, and to non-compliance with our own codes, contractual agreements, and covenants.

In 2019 we continued to update our Compliance Programme. This included completing the analysis of our risks and further improvement of our risk management mechanisms throughout the organisation.

We had previously mapped our compliance areas in a risk matrix and defined improvement actions related to our high priority compliance areas. GDPR (EU General Data Protection Regulation), PCI DSS (Payment Card Industry Data Security Standard), ethics and integrity continue to be our high priority areas.

Figure 26: Map of compliance areas
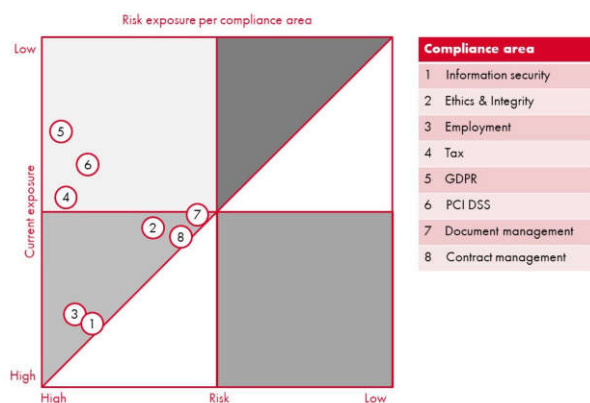
GDPR
Our GDPR team continues to monitor all aspects of the GDPR. Although GDPR is now in the operational phase, it still requires ongoing attention to ensure compliance with:
I   data retention periods and clean systems
I   data processor agreements at corporate and country level

In addition, we will continue our awareness and training programme regarding information security policies and guidelines.

PCI DSS

PCI DSS is the worldwide Payment Card Industry Data Security Standard that was established to help businesses process card payments securely and reduce card fraud. Compliance with the standard is required from all organisations that handle branded credit cards from Visa, Mastercard and AMEX. PCI DSS is intended to protect sensitive cardholder data. Validation of compliance is performed annually.

Figure 27: PCI DSS compliant

Organisations that store and process credit card information must comply with PCI DSS guidelines, regardless of the size of the organisation and regardless of the number of transactions. The guidelines are widely defined and include detailed measures at both business and ICT levels. Policies, procedures and technical measures are all part of the package.

PCI DSS distinguishes between transactions (expressed in levels). The greater the number of transactions an organisation processes annually, the higher the level and the stricter the measures. These may vary from fines per incident to termination of the contract.

As cashless payments at parking facilities continue to increase, Q-Park relies considerably on card transactions. Compliance to these standards is therefore critical to our operations.

Ethics and integrity

As a provider of high-calibre parking services, Q-Park considers compliance to high ethical and integrity standards very important.

In 2019, the Compliance Programme team continued work on the ethics and integrity project plan drawn up during the previous year. The Q-Park Integrity Policy was fully revised and a Trade Sanctions Policy was also drawn up. In the coming year the team will continue its work, culminating in a training and awareness programme to raise awareness of the importance of this compliance area and to make improvement actions sustainable.

🌐 Click here for our Integrity Policy.

Results
- We completed our risk analysis and implemented improvements to our risk management mechanisms throughout the organisation.
- The GDPR procedures in place in all Q-Park countries were monitored.
- Compliance with PCI DSS was validated.
- Q-Park Integrity Policy developed and published.
- Q-Park Trade Sanctions Policy developed.

Employees

The expertise and commitment of our employees and their cooperation and communication are vital for the professionalism and efficiency of our organisation. Only with their commitment are we able to deliver the desired quality in products and services. We strive to create a varied workforce and we pay special attention to the welfare and safety of our employees.

Employee training
We value our employees and want them to be confident about the various elements of their work. To assist this, we aim to give our employees regular training and professional development opportunities.

Most of our employees work in or near our parking facilities as Parking Hosts. Our social relevance for operational employees is considerable. Together with the retail and cleaning sectors, we are committed to helping people who like to take a practical approach. We are a binding factor; we offer varied work and a certain status, so all colleagues feel appreciated.

Besides keeping the average training per employee above 15 hours per year, we seek to train more than 15% of our full-time employees with a permanent contract annually on integrity issues as described in our Integrity Policy.

Results

In our materiality analysis, we found that anti-corruption was seen as material by our stakeholders. This year, there were **no confirmed incidents of corruption**. However, we will keep measuring this and include

an integrity training in the general training package for employees.

In 2019, across all countries, including our head office in the Netherlands, a total of 1,070 employees in managerial and non-managerial positions, 69% of the workforce, received an average 20.9 hours of training.

Health & Safety

Our aim is to increase our employees' engagement as well as contribute to their health and safety.

Q-Park promotes the health and safety of customers and employees. We achieve this mainly by training our employees and equipping them for their work, and by creating a safe and healthy working environment. We also offer our employees the opportunity to learn life-saving skills so that they can help someone both at home and at work.

Every year, we receive millions of visitors in our parking facilities at all hours of the day. Unfortunately, it is inevitable that our employees will encounter aggressive or inappropriate behaviour. We offer Parking Hosts conflict management training so they can learn to deal with such situations.

Chart 22: Average annual training hours per employee
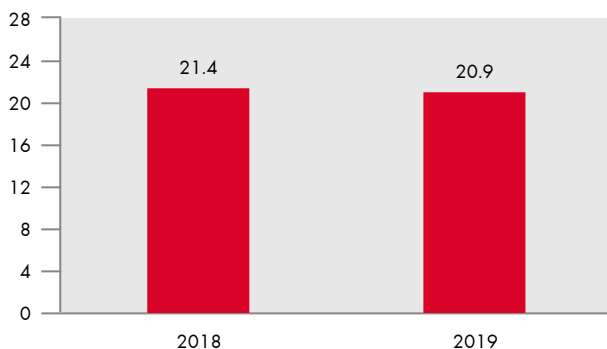
Chart 23: Employee receiving regular training
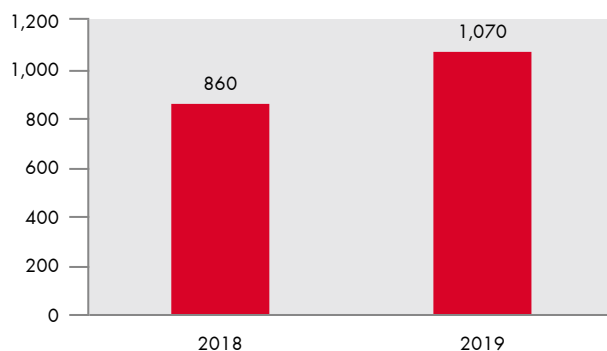
Figure 28: Active mobility teams

What we do
Health
▍ Training to learn how to use an AED, a skill most appreciated around family and friends

- Active mobility teams who can be dispatched by the QCR at a moment's notice
- Climate control and over pressure in the Parking Hosts' lodge to limit car fumes in work area

Safety
- Less cash in our parking facilities, we proactively encourage cashless payments
- Conflict management training to learn how to deal with aggression
- CCTV monitoring and footage is available

Results

We aim to keep injuries, occupational illness, absenteeism, and days lost to a minimum. Our target is 3% or fewer incidents per employee. In 2019, with 1,503 employees and 57 incidents the incident ratio in 2019 was 3.8%. In 2018 this ratio was 3.1% with 1,562 employees and 49 incidents.

Table 2: Number of incidents and lost days

	2018	2019
Total number of incidents	49	57
Total number of lost days	917	743
Total employees	1,562	1,503

Other information
Employee contract and gender

Total number of employees declined from 1,562 in 2018 to 1,503 in 2019. In both years 79% were male and 21% female.

Table 3: Number of employees

	2018	2019
Number of full-time contracts:	**1,246**	**1,181**
- temporary contracts (m)	36	38
- temporary contracts (f)	7	9
- permanent contracts (m)	992	933
- permanent contracts (f)	211	201
Number of part-time contracts:	**316**	**322**
- temporary contracts (m)	11	9
- temporary contracts (f)	3	5
- permanent contracts (m)	194	203
- permanent contracts (f)	108	105

Employees covered by CLA

Percentage of employees covered by collective labour agreements was 53% in 2018 and 47% in 2019.

Employees in Danish CLA increased

In 2019, when Q-Park Denmark acquired Univsersparkering, the employees who moved with the acquisition received a Q-Park employment contract in line with the parking industry standard. This also meant that their working conditions were upgraded to the sector Collective Labour Agreement in Denmark.

With this move, Q-Park has set an example because many of the smaller Danish parking companies do not adhere to the sector CLA. They pay staff less or base the salary on the number of control fees issued. Q-Park does not consider this practice to be ethically correct.

Co-creation

We aim to create value through co-creating partnerships, growing our asset portfolio and its performance as well as our indirect sales channels.

Strategic partnerships in which we pursue a form of agreement with mutually beneficial goals are important to our business. Naturally, in our partnerships, we depend on the willingness of the other party to collaborate and achieve the desired results. For this reason, it is not possible to set quantitative targets but we have defined partnership objectives to guide us, we seek partnerships to:

- improve and/or expand our market coverage;
- broaden product and service offerings;
- build brand awareness.

Parking Payment Service Providers (PPSPs)

We work together with parking payment service providers (PPSPs) who want to combine their on-street parking and payment solutions with off-street parking for their customers.

These partnerships enable customers to:

- park in our facilities with the PPSP mobile-app of their choice;
- receive a convenient overview of all their parking transactions;
- pay immediately or make a single payment at the end of the month.

Mobility hubs

In the Netherlands, Q-Park has a co-creation solution with the NS, the national railway operator. Q-Park manages the Park+Ride car parks at train stations and enables NS Business Card holders to use their public transport card for parking as well.

Infrastructure

We co-create with public and private landlords to provide underground bicycle parking, infrastructure solutions, green spaces as well as routes for pedestrians and cyclists above ground.

Indirect online sales channels

- We have programmes in place for marketing arrangements whereby we pay commission to an external website for traffic or sales generated from its referrals (i.e. affiliate marketing).
- We have programmes in place to partner with theatres, event locations for sports, concerts and other gatherings - enabling them to offer parking solutions directly to their customers. We also refer to this as purpose partner marketing.
- We have developed the Q-Park Event Management Portal, enabling event organisers and event locations to offer a quick and bespoke parking solution to their target audiences with the least amount of effort.

Results

- In 2019, we joined forces with EasyPark, a mobile-app parking service which facilitates parking on-street and in purpose-built parking facilities.
- In Belgium we have partnered with KBC to integrate our Parking as a Smart Service (PaSS) solution into KBC Mobile, the KBC smartphone banking app for KBC clients.
- In the Netherlands, Q-Park has introduced the Event Portal to a select group of theatre, concert and sports venues in Amsterdam and Rotterdam.

Figure 29: Co-creation with KBC

Expertise

We aim to retain value by sharing our expertise. We do this with our We Develop Quality (WDQ) campaign, Annual Q-Park Thesis Award & Thought Leader events, and our contribution to parking industry bodies.

We participate in the following industry platforms:
- Danish Parking Association
- Norwegian Parking Association, and Parking Complaint Team
- Board member at Vexpan, and Stichting Maatschappelijke Projecten Maastricht
- Member of Communication Partners
- Member of GBN platform
- CROW
- EPA

We Develop Quality

In 2019 we continued publishing articles under the WDQ campaign umbrella. These articles are designed to share our expertise of car park design and knowledge of the role of parking in making cities more liveable. In this campaign, Q-Park ambassadors are encouraged to read and share the articles with their network.

 Click here for the expertise articles.

The **We Develop Quality** goals are twofold, to:
- Improve top-of-mind awareness of Q-Park's expertise, products and services among public and private landlords;
- Strengthen the organisation.

The articles cover a wide range of topics and form an invaluable knowledge resource in the expertise centre as part of the corporate website.

In 2019 we published 15 articles. Various topics were aired including:
- LED lighting transformation
- energy-neutral parking facility
- e-charging dilemmas
- various new parking facilities were also showcased

Using the social sharing tool 'Social Seeder', the articles are first shared among Q-Park ambassadors who were encouraged to share the articles in their own networks in the social media channels of their choice.

Results

In the second year of the campaign we now have 102 unique Q-Park ambassadors who share articles in their networks, culminating in an estimated interaction with our target audiences of more than 64,000.

Figure 30: WDQ results

Awards

The Q-Park Thesis Award & Thought Leadership event has become a recurring item in the Q-Park annual calendar.

In cooperation with the Erasmus University Rotterdam, Q-Park established the Q-Park Thesis Award in 2014 for the best master's thesis on parking and mobility written at a University in the Netherlands or Belgium.

When we established this award in 2014 our purpose was twofold: on the one hand we wanted to mark the retirement of our founder, Ward Vleugels. On the other, we sought to bridge the considerable gap between academic research on parking and practitioners in the parking sector.

As a parking operator, Q-Park has welcomed the rise in academic literature on parking but we also noted the knowledge mismatch between what professionals in the field actually need and what academics in universities have produced. Put simply, the two are driven by different goals.

In 2019, to mark the fifth anniversary of the Q-Park Thesis Award and to give an overview of the winning theses a book containing the abstracts of all the award winning theses in the period 2014–2018 was published.

The theses presented in the anniversary book show that the two worlds can converge to generate new knowledge which combines both academic rigour and new ideas for practitioners to tackle current and future challenges.
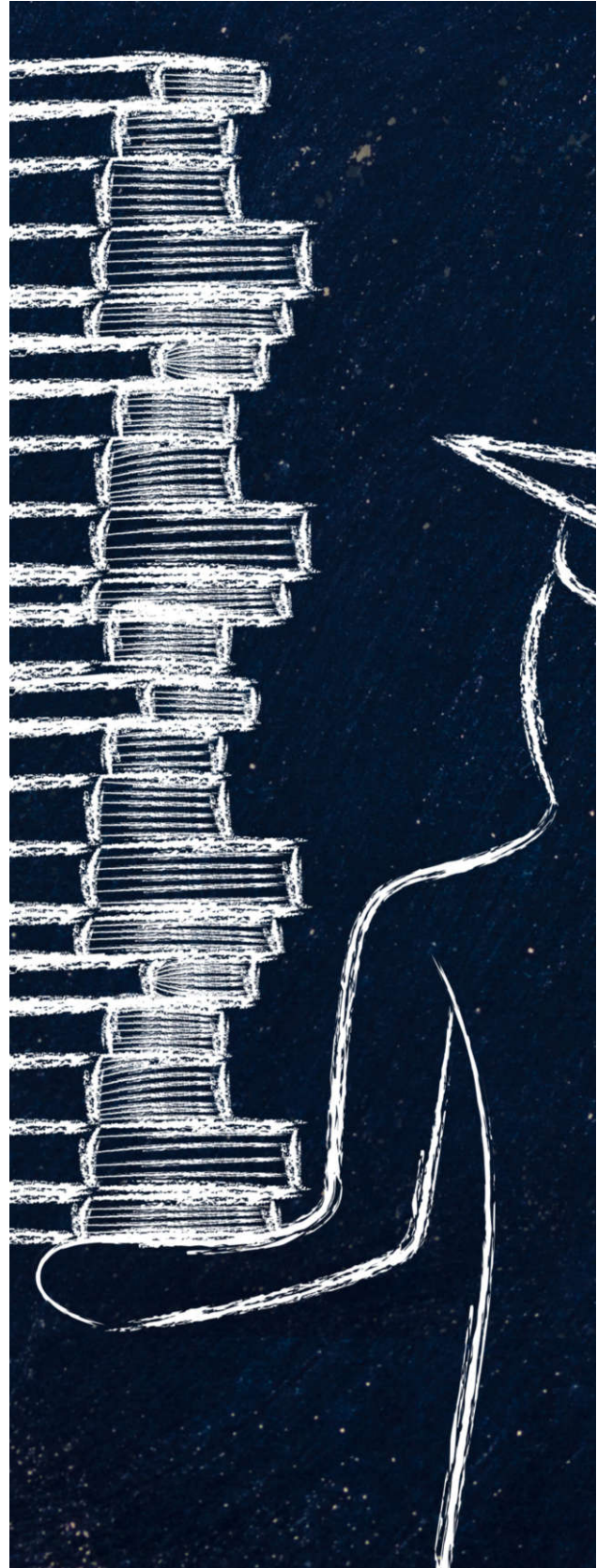
More about the thesis award lustrum book.

Research

Customer satisfaction survey

Customer satisfaction Surveys (CSSs) are conducted in the countries in which we operate.

| Q-Park Netherlands conducts CSSs on selected parking facilities. They report both an average

general opinion (AGO) as a net promoter score (NPS).

- On average, the AGO was 7.5 which is similar to previous years.
- On average, the NPS was -3 which shows an improvement compared to 2018 (-13).

I Q-Park France conducts a CSS annually.
- They gather feedback from season ticket holders, those pre-booking or paying for parking at the car park itself (short-term parking).
- They solicit feedback on aspects of the parking facility, such as:
    - lighting and other installations, smell, ease of access;
    - signage, guidance, information, elevators;
    - parking tariffs and payment options;
    - sense of security.
- Interesting facts to note:
    - the overall rating in 2019 was slightly better than in 2018;
    - the rating regarding light quality increased;
    - short-term parking motorists have improved their rating regarding signage and guidance.

I Q-Park Germany, Belgium and Denmark do not conduct CSS, they monitor Google Reviews*.
- Q-Park Germany: of the 2,879 reviews, 59.8% provided a 4 or 5 star rating.
- Q-Park Belgium:
    - 584 Google Reviews were given on a total of 16 parking facilities, with a 3.31 average star rating;
    - a customer interaction programme is planned for 2020.
- Q-Park Denmark gets a lot of Google Reviews but is not analysing the results. They do take note of the overall tendencies and will start analysing the results in 2020.

I Q-Park UK and Q-Park IE:
- UK & IE Google Reviews combined; 4,363 reviews with a 3.83 average star rating;
- UK pre-booking survey;
    - 84.2% would use our pre-booking service again
    - easy to use had a score of 8.55 on a 10-point scale
    - satisfaction with the quality of the parking facility scored 8.38 on a 10 point scale
- UK season ticket survey;
    - overall satisfaction scored 8.06 on a 10-point scale
    - satisfaction with the payment process scored 8.34 (10-point scale)
    - satisfaction with the use season ticket scored 8.87 (10-point scale)
    - satisfaction with the cleanliness of PFs scored 8.14 (10-point scale)

*Google Reviews as a customer feedback tool:
- improves local search ranking and online exposure;
- increases trust, credibility and provides essential feedback;
- influences purchase decisions, improves click-through rates and converts more customers.

Google Review Star Rating
Customers are given the opportunity to leave a business review, which includes giving a score from one star (poor performance) to five stars (excellent service).

Digital strategy project

A digital strategy project was initiated to get an outside-in view on past digital transformation efforts and to develop a business case for a future digital road map.

We engaged strategy consultants EY-Parthenon to:
- provide an independent opinion of our competitive position;
- assess Q-Park's current innovation strategy against the backdrop of:
  - future mobility
  - shifts in customer behaviour
  - ecosystem development (smart cities, digital players, etc.)
- prioritise development of new functionality;
- help formulate Q-Park's digital road map.

The customer survey conducted in our four biggest markets (the Netherlands, Germany, UK and France) confirmed that a digital customer journey and digital ecosystem for parking is emerging.

It confirmed that customer journeys differ significantly between leisure and business purposes, and between spontaneous trips, such as shopping and social visits, and planned trips such as business meetings, onward journeys by train or plane, or going to an event.

Some insights

Rates at which customers look up information prior to:
- leisure city trip 22%, business city trip 39%;
- leisure event 39%, business event 47%.

Customers select a parking facility based on:
- proximity and easy to reach 58%;
- price i 21%;
- pre-booking 7%;
- easy payment method 6%.

Proximity is still by far the key decisive criterion to select a specific parking facility, yet price and digital services including pre-booking and easy payment may persuade customers to change.

Q-Park's digital strategy should aim to provide:
- relevant information (navigation, parking tariffs, capacity, e-charging stations, etc);
- payment options as well as invoicing schemes;
- choice in the customer journey;
- easy interface between new business and new technology.

In addition, Q-Park will be innovating to leverage customer insights. Once customers have more choice and we know more about our customers, we will be able to refine commercial propositions and increase customer satisfaction.

Figure 31: Customer journey elements by EY-Parthenon

Journey planning

Informing / Facility selection / Booking / Parking / Payment / Invoice
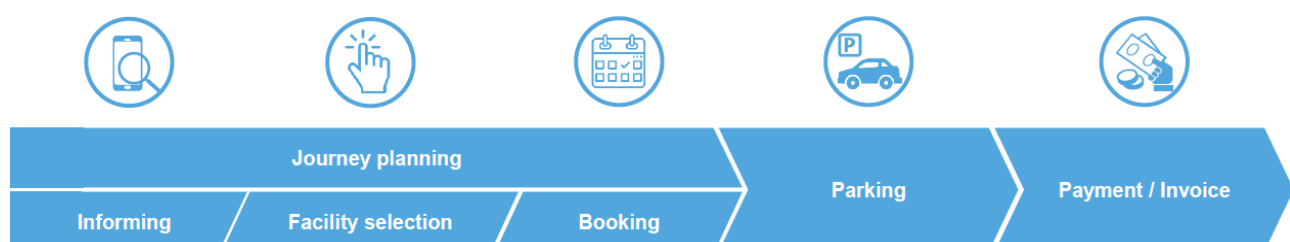
OTHER INFORMATION

SUPPLY CHAIN

Our parking services mainly consist of providing parking spaces in purpose-built parking facilities or in off-street car parks. This can be pay-on-exit parking behind barriers, or parking paid by means of Pay & Display parking tickets, or via a parking service app. We also offer customers the opportunity to pre-book a parking space.

As we don't produce goods but deliver a service, our supply chain mainly consists of PMS suppliers, real estate and operational maintenance suppliers. We also invest substantial amounts in ICT systems and business intelligence (BI) to prepare Q-Park for further digitisation and other developments. Most if not all suppliers are located in Western Europe.

Figure 32: Supply chain mainly consists of PMS suppliers, real estate and operational maintenance suppliers

GOVERNANCE, POLICIES AND CODES

All static information regarding Q-Park governance, policies and codes can be found on our corporate website as this information does not depend on the reporting year.

🌐 Click here for our Corporate governance.

🌐 Click here for our Integrity Policy.

🌐 Click here for our CSR Code.

Changes in CSR reporting

Based on strategic considerations, on 30 April 2019 the Company disposed of its operations in the Nordic countries: Sweden, Norway and Finland. Following the disposal, the 2018 results were not comparable with those reported for 2019. We have therefore adjusted all data for 2018 to enable us to compare figures for these two years.

We value your feedback

We value your feedback on our CSR Report 2019 as this will help us to further improve its quality. Should you have any questions or comments, please send them in an e-mail to cmc@q-park.com.

Figure 33: Governance, policies and codes

RISK MANAGEMENT

A business must take risks to create value. Having a risk management assessment in place allows a company to take risks in a managed and controlled manner. Within Q-Park strategic, operational, financial, and reputational risks are made controllable by carefully weighing risks and returns against each other. Effective risk management is integrated into its daily operations.

Q-Park deploys a top-down risk management assessment in which strategic risk management is executed at corporate level. Responsibility for operational risk management lies primarily with the local management of the countries in which the Group operates. The Executive Board however bears ultimate responsibility for managing the risks the company faces.

Risk management and internal control

Ongoing identification and assessment of risks is part of our governance and periodic business review. Our Enterprise Risk Management (ERM) assessment and Compliance Programme are designed to provide management with an understanding of the key business risks the company faces. It also provides methods and processes to manage the risks that might hamper the business in achieving key objectives and to initiate actions required to mitigate these risks.

Q-Park is averse to the risk of non-compliance with relevant laws and regulations, our own codes, contractual agreements and covenants. As legislation and other formal guidelines cover various functional areas and can be very extensive (even country-specific), compliance is managed in a structured way. Our Compliance Programme covers most relevant compliance areas for Q-Park, and is being executed as a risk management mechanism that ensures:

I   that execution of actions per step of the risk control cycle are executed based on clearly defined responsibilities;

I   implementation of relevant legislation and internal guidelines within the organisation is ensured;

I   top-down awareness of the importance to manage compliance areas;

I   A structured follow-up of the compliance action plans.

Progress made in 2019 and focus areas for 2020:

I   Related to the 'Information Security' compliance area, an extensive programme (2019-2021) has been developed and is being executed. The ICT infrastructure and organisation and ICT processes are being transformed to higher Information Security standards. User awareness will be improved by introducing e-learning into the whole organisation. The 'PCI DSS' (Payment Card Industry Data Security Standard) compliance area is integrated in this Information Security Programme.

I   Several policies regarding 'Ethics & Integrity' such as the Integrity Policy and Competition Law Compliance Policy were updated and communicated throughout the organisation. In 2020 training sessions will be organised to make the content of the policy more practical in an interactive way.

I   Internal 'HRM processes' have been optimised and formalised. In 2020 efficiency and consistency improvements will be realised by implementing a Q-Park Self Service portal.

I   The 'GDPR' compliance area required continuous attention to monitor compliance and follow-up guidelines issued by the authorities. Training and awareness have our focus, during periodic consultations, Q-Park Privacy Officers share experiences under supervision of the Data Protection Officer (DPO) who was appointed in 2019. Status and progress are reported to the Executive Board on a quarterly basis.

In addition to the aforementioned focus areas, a high-level risk assessment related to the Compliance areas will be performed to reconsider the focus points and priorities.

The Executive Board and key management periodically review the risks and the related mitigation controls and procedures of the ERM assessment and Compliance

programme and reconsider the focus areas identified. Furthermore, they provide complementary insights into existing and emerging risks that are subsequently included in the policy. The ERM assessment and Compliance Programme influence the formation of controls and procedures, and the focus of business planning and performance process.

Risk appetite

Factors which determine the risk appetite include the international spread of the business, the robustness of the balance sheet, long-term duration of contracts, strength of cash flows and a commitment to conservative financial management. Our risk appetite varies per objective and risk category:

| **Strategic**: Taking strategic risks is an inherent part of how we do business. In pursuing growth as a strategic ambition, we are prepared to take risks in a responsible way, taking account of our stakeholders' interests.

| **Operational**: Depending on the type of operational risk, we take a cautious to averse approach. We give the highest priority to ensuring the safety of our employees and customers, to delivering the desired level of service, and to protecting the company's reputation.

| **Financial**: We pursue a conservative financial strategy, including a balanced combination of self-insurance and commercial insurance coverage.

| **Compliance**: We are averse to the risk of non-compliance with relevant laws or regulations, or non-compliance with our own codes, contractual agreements, and financial covenants.

| **Fraudulent and unethical behaviour**: We are committed to act with honesty, integrity, and respect. We are fully averse to risks relating to fraudulent behaviour and we apply a zero-tolerance policy.

Main risks

The following risk overview highlights the main risks which might prevent us from achieving our strategic, operational, and financial objectives. The risks described are not an exhaustive list of the risks. There may be additional risks which do not constitute a direct threat in the short-term, or risks which management deems immaterial or otherwise common to most companies, but which could at some time have a material adverse effect on our financial position, results, operations, or liquidity.

Strategic

Risk description	Q-Park risk management measures
Regulatory changes to inner-city parking National or local governments could implement measures which are potentially unfavourable to the parking sector (e.g. introduction of low emission zones or banning of traffic within inner-city boundaries).	▎ Create sufficient substance in cities and regions to have a seat at the table and cooperate with governments, NGOs, and businesses. ▎ Ensure geographic diversification of Q-Park's portfolio in the different countries but also within cities to avoid large dependencies on specific regions or locations. ▎ Invest extensively in online platforms and value-added services to become a proactive business partner for local authorities and help them to think in (mobility) solutions.
Economic environment Factors that potentially influence parking revenues (prices and/or mobility) include pressure from the general public and retailers, political changes, or a long-term fall in GDP. Lower parking revenues could significantly impact Q-Park's profitability and cash flows, definitely in situations where lower parking prices will not result in more transactions.	▎ Cooperate with governments, NGOs, and other businesses. ▎ Highlight the relevance of regulated and paid parking to society by clear communication. ▎ Implement a separate centralised pricing function within the Group that uses calculation models to analyse different tariff schemes, to simulate the effects of changes, and to align prices with the local circumstances and market situation. ▎ Strengthen the commercial, customer, and market intelligence organisation by establishing Group-wide teams and actively sharing knowledge and experiences.
Competitive environment and economic conditions The parking market (new business) is characterised by competition between a limited number of existing players. In addition, technology is used increasingly in the parking market and results in new competitors with a possible negative impact on Q-Park's financial results.	▎ Ensure geographic diversification with sufficient substance in different regions and cities to ensure efficiency in operations and to be competitive in tenders. ▎ Invest in ICT developments (online platforms and PMSs) to be competitive in changing to a more digitally-oriented parking market and to prepare the organisation for more efficient access and payment solutions. ▎ Closely monitor developments in digital solutions created by existing and new competitors.
Dependency on other businesses and local developments A car parking service is an indirect service which depends on external factors (e.g. offices, shopping centres, leisure amenities). New customer behaviour (e.g. online	▎ Ensure geographic diversification of Q-Park's portfolio and a further spread across multiple indirect markets.

shopping, working from home) or changes in the popularity of certain stores or locations pose a risk of a significant decrease in parking demand and, hence, a decrease in Q-Park's business and revenue.

I Manage a portfolio with focus on large multifunctional locations instead of mono functional locations which are dependent on just one purpose.

Operational

Risk description	Risk management measures
Safety and liability The safety of our customers and employees is our top priority. If an employee or a customer sustains injury while at work or while visiting one of the Q-Park parking facilities, this could impact our reputation.	I Adhere to health and safety procedures relating to employees and customers. I Invest in maintenance and security tools (i.e. CCTV oversight) to ensure clean and safe parking facilities with proper instructions for visitors. I Encourage non-cash payments and outsourcing of cash handling to specialised third parties. I Provide training and development focusing on personal safety and safety measures in and around our parking facilities.
Dependency risks, interruptions, and business continuity Continuity of the company and its business is crucial. Continuity depends on a number of factors, including suppliers. We are particularly vulnerable regarding PMSs, ICT, and infrastructure.	I Business Continuity and Data Recovery is an important component of our Information Security Programme. I Use different systems from independent suppliers where operational efficiency remains the primary objective. I Conduct preventive maintenance and conclude SLAs with suppliers to ensure corrective interventions within agreed time frames. I Connect the QCR to parking facilities to assist in the event of business interruptions and operate a 24-hour service desk.
Staffing and retention Good, experienced, and knowledgeable people are the foundation of our company and its success. The company must ensure that it is able to employ and retain the right people.	I Maintain a system for performance measurement and annual reviews. I Continuously work on employer branding in the 'labour' market and have competitive employment conditions. I Develop training and development opportunities for employees.

Ethics and integrity

Ethics and integrity are important conditions for confidence in the company. Behaviour deemed to be unethical could lead to loss of revenue and reputation.	I Maintain a code of ethics and whistle-blower policy with periodic training to ensure awareness. I Ensure Executive Board and management demonstrate 'tone at the top'. I Apply a zero-tolerance strategy.

Financial

Risk description	Risk management measures
Valuation of fixed assets and goodwill	
The company owns a considerable amount of property and goodwill. If the economic climate deteriorates and potential impairments are not identified, determined, or communicated in a timely fashion, the company could incur reputational damage.	I Evaluate the existence of impairment indicators on an annual basis. I Monitor performance against business plans to identify risk areas and act timely. I Employ an independent valuation expert to conduct periodic valuations when necessary.
Financing	
Given that the nature of the business is capital-intensive, access to external financing is crucial for continuity. A liquidity risk could arise if external financing is not available to the company when refinancing is required.	I Strict monitoring of financial covenants. I Consult regularly with external debt providers to discuss the ongoing business, results, and strategy. I Periodic evaluation of the appropriateness of the financing structure and adjust if needed.
Interest rate risks	
The external debts can be subject to variable interest rates, thereby exposing the company to fluctuations in interest rates. A significant increase in variable interest rates would have a negative impact on results.	I Include a mix of fixed and variable interest rates for financing operations, combined with the use of interest rate instruments. I Adopt an interest rate policy in which part of the bank debt is covered by interest rate derivatives (interest rate swaps and interest caps).
Currency risk	
The company's functional currency is the euro. Given that the company also operates in countries with a different functional currency, we are exposed to fluctuations in those currencies.	I Monitor and report periodically on currency risk exposure. I Optimise currency risk through natural hedges (revenue and costs in local same currencies, external debt in foreign currency).

Compliance and reporting

Risk description	Risk management measures
Financial statement does not give a true and fair view	
If misstatements are made such that the financial statements do not give a true and fair view of the company's financial position, financial performance, and cash flows, users of the financial statements would be incorrectly informed.	I Maintain common and consistent accounting policies, reporting processes, and standard chart of accounts. I Monitor critical access and segregation of duties and perform compensating controls if necessary. I Actively involve all stakeholders.
ICT and information security	
Given the increasing use of online communication and the professionalism of cyber criminals, the company must focus constantly on continuity of ICT systems and on ensuring the security of crucial information and sensitive customer data (e.g. payment card details, passwords). A successful attack or hack by cyber criminals could cause reputational and financial damage and impact business continuity.	I Implementation of the Q-Park Information Security Programme based on a Cyber Maturity Assessment and executed in accordance with a formal governance structure. Important components of this programme include: I Reconsider our information security policies to secure confidentiality and integrity of data, including continuity measures in conjunction with outsourcing partners. I Improve user awareness and behaviour to reduce cyber security risks. I Manage IT Asset risks in a proactive and reactive way (monitoring). I Improve incident response, disaster recovery and business continuity. I Further comply to common standards such as PCI DSS, GDPR and ISO 27001. I Implement cyber security solutions to detect cyber attacks and have remediation procedures in place. I Centralisation of ICT systems allowing central enforcement of security measures. I Initiate a Secure Software Development life cycle programme for our applications in collaboration with our supplier. I An Information Security officer has been appointed to coordinate the execution of the Information Security programme and to manage operational cyber security risks.
Non-compliance with European and national laws	
Changes in the legal and regulatory environment tend to increase the risk of non-compliance with local, national, and	I Implement the Compliance Programme.

international laws and regulations, as well as tax legislation. Failure to comply with applicable regulations could lead to fines, claims, and reputational damage.

- Establish corporate functions to monitor local risks and challenges from a Group perspective (e.g. compliance, tax, finance, and legal).
- Involve external specialists where necessary.

WHAT WE CAN DO BETTER

Although Q-Park strives to improve its performance in all areas of its operations, sometimes things may still go wrong or the initiatives taken may not have the desired effect. This section summarises the most important aspects in 2019 that did not go as expected and which need to be looked at carefully in the future.

Training employees

At Q-Park we consider employee training and education to be very important, as our stakeholders do too. We therefore include this in our policy, and that is why we train our staff particularly in personal safety, security, ethics, anti-corruption and conflict management.

We aim to give these training courses regularly in all our countries. However, in Q-Park's current phase, the focus was set on developing the company and our positioning in the market, which has required our full attention. Most training courses will resume in the coming years.

Customer satisfaction

Regular customer satisfaction surveys (CSSs) are held in some of the countries in which we operate. They serve a variety of goals and the results contribute to us achieving our critical success factors and key performance indicators, and as such they differ in the way they are defined, making it impossible to aggregate results.

We can however aggregate Google Reviews and extract points for improvement from them to increase the ratings of our parking facilities. A base definition to report on Google Reviews will be developed in 2020.

Understanding customer satisfaction regarding to our pre-booking and season ticket products and where and how we need to improve our services remains very important. We collect relevant surveys from the countries in which we operate and from 2020, we will seek ways to improve our reporting on the results as well as their comparability.

Employee satisfaction

We conducted our tri-annual international employee satisfaction survey in 2016 and decided not to conduct one in 2019 as we gave priority to implementing the transformation programme initiatives, focusing on digitisation and reducing operational expenses.

We have decided not to conduct an international employee satisfaction survey in future years. Instead we will conduct a localised survey in each country in which we operate. We will analyse the results per country and draw up and monitor action plans where relevant.

External verification

External verification increases the confidence stakeholders have in our accountability and has a disciplining effect on our internal organisation. But external verification also entails extra time and costs. In the past two years we have worked hard to standardise the reporting process and the source and structure of the data used for reporting can easily be checked for completeness and reliability. The whole process of CSR information gathering is therefore already prepared for future external verification against the quality standards our stakeholders expect.

OVERVIEWS

GRI CONTENT INDEX

Table 4: Organisation, Governance & Strategic GRI disclosures

GRI Index	Disclosure	Information and/or Reference
Organisational profile		
102-1	Name of the organisation	Q-Park BV
102-2	Activities, brands, products, and services	Profile and Review of business
102-3	Location of the organisation's headquarters	Maastricht, the Netherlands
102-4	Number of countries operating	Netherlands, Germany, Belgium, United Kingdom, France, Ireland and Denmark
102-5	Nature of ownership and legal form	Governance
102-6	Markets served	Profile
102-7	Scale of the reporting organisation	Profile
102-8	Information on employees and other workers	Other employee information
102-9	Supply chain	Supply chain
102-10	Significant changes to the organisation and its supply chain	Review of business
102-11	Precautionary Principle or approach	Risk management
102-12	External initiatives	CSR Code; OECD, UNGC, ILO, PRI, GRI, EU SDS and SDGs
102-13	Memberships of associations	Board member at Vexpan, Stichting Maatschappelijke Projecten Maastricht. Member of Vexpan and CROW, Member of the European Parking Council
Strategy and analysis		
102-14	Statement from senior decision-maker	Review of business
Ethics and integrity		
102-16	Values, principles, standards, and norms of behaviour	Governance
Governance		
102-18	Governance structure of the organisation	Governance
Stakeholder engagement		
102-40	List of stakeholder groups	Stakeholders
102-41	Collective bargaining agreements	Other employee information
102-42	Identifying and selecting stakeholders	Stakeholders
102-43	Approach to stakeholder engagement	Stakeholders
102-44	Key topics and concerns raised	Materiality analysis
Reporting practice		
102-45	Entities included in the consolidated financial statements	Annual Report 2019
102-46	Defining report content and topic Boundaries	Materiality analysis
102-47	List of material topics	Materiality analysis

102-48	Restatements of information	1 January to 31 December 2019, publication: 19 May 2019
102-49	Changes in reporting	Review of business
102-50	Reporting period	Annually
102-51	Date of most recent report	30 April 2018
102-52	Reporting cycle	Annually
102-53	Contact point for questions regarding the report	cmc@q-park.com
102-54	Claims of reporting in accordance with the GRI Standards	Governance & Policies
102-55	GRI Content Index	GRI Content
102-56	External assurance	No external assurance

Table 5: Material topics linked with GRI indicators

GRI Index	Disclosure	Information and/or Reference
Economic performance		
103-1	Explanation of the material topic and its boundary	Review of business
103-2	Management approach and its components	"
103-3	Evaluation of management approach	"
201-1	Direct economic value generated and distributed	Annual Report 2019
Energy consumption		
103-1	Explanation of the material topic and its boundary	Environmental footprint
103-2	Management approach and its components	"
103-3	Evaluation of management approach	"
302-1	Energy consumption within the organisation	"
302-2	Energy consumption outside the organisation	"
302-3	Energy intensity	"
302-4	Reduction of energy consumption	"
Facilitating cars with enhanced environmental performance		
103-1	Explanation of the material topic and its boundary	CSR car options
103-2	Management approach and its components	"
103-3	Evaluation of management approach	"
302-5	Reductions in energy requirements of products and services	"
Working conditions		
103-1	Explanation of the material topic and its boundary	Employees
103-2	Management approach and its components	Health & Safety
103-3	Evaluation of management approach	"
403-9	Work-related injuries	"
Training and education		
103-1	Explanation of the material topic and its boundary	Employees
103-2	Management approach and its components	"
103-3	Evaluation of management approach	"
404-1	Average hours of training per year per employee	Employee training
Employee satisfaction and employment practices		
103-1	Explanation of the material topic and its boundary	Employees
103-2	Management approach and its components	"
103-3	Evaluation of management approach	What we can do better
Corporate reputation and ethics		
103-1	Explanation of the material topic and its boundary	Ethics & Integrity
103-2	Management approach and its components	Risk management
103-3	Evaluation of management approach	"

205-2	Communication and training about anti-corruption policies and procedures	Integrity Policy
205-3	Confirmed incidents of corruption and actions taken	Employee training
Compliance with law and regulations		
103-1	Explanation of the material topic and its boundary	Compliance
103-2	Management approach and its components	"
103-3	Evaluation of management approach	"
419-1	Non-compliance with laws and regulations in the social and economic area	"

Table 6: Material topics reported with own indicators

GRI Index	Disclosure	Information and/or Reference
Partnerships		
103-1	Explanation of the material topic and its boundary	Co-creation
103-2	Management approach and its components	"
103-3	Evaluation of management approach	"
Own indicator	Partners are external parties from whom assets, products or services are obtained or with whom contracts are concluded for the provision of assets, products or services.	"
Parking integrated with other modes of transport		
103-1	Explanation of the material topic and its boundary	Quality in parking
103-2	Management approach and its components	"
103-3	Evaluation of management approach	Mobility hubs
Own indicator	Be an integral part of city mobility policies and to work towards sustainable freedom of movement.	How we create value
Customer satisfaction		
103-1	Explanation of the material topic and its boundary	Quality in parking
103-2	Management approach and its components	Value creation
103-3	Evaluation of management approach	What we can do better
Own indicator	Customer satisfaction score	Research
Accessibility of parking facilities		
103-1	Explanation of the material topic and its boundary	Accessibility
103-2	Management approach and its components	"
103-3	Evaluation of management approach	"
Own indicator	Accessibility of city centres	City centres
"	Accessibility of hospitals	Hospitals
"	Accessibility for people with reduced mobility (PRMs)	Mobility inclusion
Parking information		
103-1	Explanation of the material topic and its boundary	Parking information
103-2	Management approach and its components	"
103-3	Evaluation of management approach	"
Own indicator	Online availability of key information	Services
"	Points of interest (POIs)	Points of interest
Innovation and digital capabilities		
103-1	Explanation of the material topic and its boundary	Digital services
103-2	Management approach and its components	"
103-3	Evaluation of management approach	"
Own indicator	Number of PaSS PFs	PaSS PlatePay
Transparent reporting		

103-1	Explanation of the material topic and its boundary	Profile
103-2	Management approach and its components	CSR Report 2019
103-3	Evaluation of management approach	CSR strategy
Own indicator	CSR Report published simultaneously with Annual Report	

STAKEHOLDERS

Q-Park has a large number of stakeholders. The following overview shows how we engage with and involve our key stakeholders in our policy.

Stakeholders	Requirements	Activities	Resources
Capital market -Shareholders -Banks[1]	▎Benchmarking ▎Financial health and insensitivity to risks ▎Innovation, research, and development ▎Transparency and communication ▎Good reputation ▎Ethical operating activities and compliance ▎Privacy and data security ▎Clarity about the relationship between financial and sustainability reporting	▎Strategy, policy, risk management, and calculating financial results ▎Relationship between financial and sustainability reporting ▎Reporting according to guidelines, as basis for comparison with other organisations ▎Reputation management ▎Compliance with legislation and interpretation of responsibilities ▎Information over consequences of investments and divestments ▎Information over future opportunities and product innovations	▎General meeting of shareholders, meetings with banks ▎Website, press releases, annual reports ▎Compliance programme ▎Relationship management ▎Integrity Policy ▎CSR Code
Customers - Private - Business[2]	▎Fair competition and prices ▎Accessible parking facilities ▎Security practices ▎Quality and good parking services ▎Privacy and data security ▎Good complaints processing	▎Quality management ▎Information regarding liability ▎Health and safety measures ▎Product development and environmental management	▎Website, press releases, annual reports ▎Compliance programme ▎Customer Service Desk ▎Customer satisfaction surveys ▎Information at the location

1 Interaction frequency: quarterly

2 Interaction frequency: daily

Stakeholders	Requirements	Activities	Resources
Employees - Existing - Future[1]	Job security and correct remuneration Ethical business operations Safety and good working conditions Good reputation Diversity Transparency and communication	Inform about Q-Park's plans and intentions Work policy and HRM Health and safety measures and prevention of incidents, emergencies, and accidents Education and training Prevention of fraud and undesirable behaviour Risk and reputation management	Consultation between management and employees Performance and appraisal interviews Employee training Internal reputation and communication Employee satisfaction surveys Integrity Policy
Business partners - Suppliers - Commercial parties[2]	Ethical business operations Partnerships Quality Chain responsibility Transparency and communication Innovation, research and development	Inform about Q-Park's plans and intentions Quality control and information about liability Health and safety measures Prevention of fraud and undesirable behaviour Production conditions (also in the chain) Product development and care for the environment Sharing 'best practices' Drafting standards Comply with voluntary agreements within sector	CSR Code Annual reports Negotiations Position papers and showcases Collaboration (on innovation) and consultation Integrity Policy Participate in knowledge platforms

1 Interaction frequency: daily

2 Interaction frequency: monthly

Stakeholders	Requirements	Activities	Resources
Municipalities - Local authorities - Communities[1]	❙ Benchmarking ❙ Employment ❙ Ethical operating activities and compliance ❙ Integration of transport modes ❙ Viable, accessible, and economically flourishing cities ❙ Cooperation and support for social projects	❙ Design and implementation of the policy ❙ Sharing 'best practices' ❙ Own regional initiatives ❙ Modify design of parking facilities to suit the surroundings ❙ Sustainable construction, maintenance and renovation ❙ Public-Private Partnerships	❙ Website, press releases, annual reports ❙ Collaboration and consultation ❙ CSR Code ❙ Sponsoring and donations
Governments, politics and society as a whole - National governments - EU - International institutes[2]	❙ Safe, healthy, pleasant and social living environment ❙ Countering climate change ❙ Economical use of raw materials, energy and water ❙ Ethical business operations	❙ Initiatives for sustainable urban mobility ❙ Prevention and reduction of damaging environmental impact ❙ Contribution to transparency of sector	❙ Website, press releases, annual reports ❙ Consultation groups ❙ Integrity Policy

1 Interaction frequency: monthly

2 Interaction frequency: at least once a year

GLOSSARY

AED
Automatic External Defibrillator, a resuscitation device

AGO
Average General Opinion

ANPR
Automatic Number Plate Recognition

API
Application Programming Interface

BOC
Back Office Calculation

CCTV
Closed-circuit television

CLA
Collective Labour Agreements

CO_2
Carbon dioxide: end product of complete combustion of hydrocarbons such as fossil fuels

CROW
The Dutch knowledge platform for infrastructure, traffic, transport and public space

CSFs
Critical Success Factors

CSR
Corporate Social Responsibility

CSSs
Customer Satisfaction Surveys

DMA
Disclosure on Management Approach

EPA
European Parking Association

ERM
Enterprise Risk Management

ESPA
European Standard Parking Award

EU
European Union

EV
Electric Vehicle

FTEs
Full-Time Equivalent - total number of employees recalculated to the full-time equivalent

GBN
Large company's network, part of MVO Nederland

GDPR
General Data Protection Regulation

GHG
Green House Gas emissions

GRI
Global Reporting Initiative; draws up worldwide guidelines for sustainability reporting

GSMs
Global System for Mobile Communications

ICT
Information and Communication Technology

ISO
International Organisation for Standardisation

KPIs
Key Performance Indicators

LED
Light Emitting Diode

Long-leased
Lease whereby the operational risk lies with Q-Park for more than 15 years

MVO Nederland
MVO (CSR) Netherlands is the Centre of Excellence for Dutch companies that are striving towards corporate social responsibility

NPS
Net Promoter Score is a management tool that can be used to gauge the loyalty of customer relationships, its index ranges from -100 to 100

O+LL
Parking facilities either owned, operated by concession or with a long lease

Owned
Legal and economic property owned

PaSS
Parking as a Smart Service

PCI DSS
Payment Card Industry Data Security Standard

PFs
Parking Facilities

PMS
Parking Management System

POF
Pay-On-Foot

POIs
Points of interest

PPSP
Parking Payment Service Provider

PRMs
Persons with Reduced Mobility

PSs
Parking Spaces

Public-Private Partnerships
Cooperation between government bodies and private parties is a prerequisite to keep inner-city areas accessible through well-thought-out parking policy

Purpose partner
Our partners at destinations such as theatres, restaurants, and hotels

QCR
Q-Park Control Room, the international central control room which is linked to the parking facilities via intercom

SDGs
United Nations Sustainable Development Goals

Target cities
Multifunctional cities with a central function in their region, with favourable socioeconomic developments and with little competition from neighbouring cities

VEXPAN
Platform for parking in the Netherlands

VIP
Very Important Person

WDQ
We Develop Quality

Q-Park has assured a number of its activities under NEN-EN-ISO 9001.

Q-Park has received several ESPA and EPA awards.

For more details and up-to-date information about Q-Park's products and services please visit: www.q-park.com.

QPARK Quality in parking

Q-Park BV
PO Box 1166
6201 BD Maastricht
T +31 433 297 171
F +31 433 297 172
I www.q-park.com