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ABOUT Q-PARK



PERFORMANCE HIGHLIGHTS

Financial



EUR 825

(xEUR million)

Net revenue

EUR 128.9

(x EUR million)

Net result

EUR 202.8

(x EUR million)

Operating cash flow

Manufactured



+ 40%

More parking spaces
for e-loading (825)

225

AEDs publicly
accessible

Intellectual



+ 3%

More car parks with
dynamic parking
tariffs

+ 8%

More publications and/or speaking engagements
on fair parking tariff strategies

Human



PPI: 72

Employee satisfaction survey weighted score, which
is above average on ICMA People Performance
Index

+ 2%

More employees
trained in heart
resuscitation

Social



55

Collaborations with
driving schools

+ 23%

More spending for
local community
activities

44

Target cities with
parking policy
involvement

Natural



+ 33%

More flights (1,865)

- 3%

Less CO₂ (kg) footprint
per parking space

- 17%

Fewer petrol vehicles
in our fleet (83)

KEY FIGURES

	2016	2015
Net result (x EUR million)		
Net revenue	825.0	809.1
EBITDA	194.9	185.0
Net result	128.9	90.9
Balance sheet (x EUR million)		
Investment property	5,671.2	5,642.6
Shareholders' equity	1,351.5	1,285.6
Lease obligations	2,803.2	2,868.9
Net debt	1,095.8	1,152.5
Cash flows (x EUR million)		
Operating activities	202.8	193.9
Investment activities	-74.5	-59.1
Financing activities	-155.4	-210.9
Movement in cash and cash equivalents	-27.1	-76.1
Business volume		
FTEs	2,152	2,180
Parking facilities	6,343	6,195
Parking spaces	871,449	864,450
Ratio:		
- legally owned	5%	5%
- ground leases and concessions	11%	11%
- protected leases	5%	5%
- other leases	50%	49%
- managed	29%	30%
Shareholders' result		
Net result	128.9	90.9
Direct equity movements	-37.0	39.6
Ratios		
Interest coverage ratio	4.3	3.3
Net bank debt / EBITDA	5.6	6.1

Parking facilities per region

	2016	2015
Region 'Mid'	475	477
Region 'West'	103	105
Region 'South'	251	245
Region 'North'	5,514	5,368
Total	6,343	6,195

Parking spaces per region

	2016	2015
Region 'Mid'	176,788	180,147
Region 'West'	63,862	72,157
Region 'South'	149,040	146,077
Region 'North'	481,759	466,069
Total	871,449	864,450

Revenue per region

(x EUR million)	2016	2015
Region 'Mid'	278.5	266.6
Region 'West'	132.3	139.9
Region 'South'	162.3	156.5
Region 'North'	251.9	246.1
Total	825.0	809.1

Full-time employees per region

	2016	2015
Region 'Mid'	546	571
Region 'West'	421	447
Region 'South'	457	463
Region 'North'	676	650
Holding	52	49
Total	2,152	2,180

MESSAGE FROM THE BOARD

Very good financial results

Q-Park closed 2016 with very good results. We have continued the upward trend that commenced in 2015. The revenue increased by 2 percent compared to 2015 and came out at EUR 825.0 million. The EBITDA is EUR 194.9 million (2015: EUR 185.0 million) which represents a growth of 5.4 percent. The net result grew from EUR 90.9 million in 2015 to EUR 128.9 million in 2016 which is an excellent performance.

Revenue development

(x EUR million)



We are right on schedule with the four-year plan that our shareholders approved in 2015. In the past year, we have reinforced the foundations in all areas of our business, which will enable us to grow and flourish in the coming years.

Continued investment

Our focus on the quality of our investments, higher utilisation rates by optimising commercial opportunities, and continuing attention to operational efficiency have also contributed to the positive developments. It is precisely in times like we are currently experiencing, where social and technological developments emerge in rapid succession and when little is certain, that Q-Park will and can be a qualitative and functional anchor that society can count on.

Attractive investment proposition

More important for the longer term is that we underpin our position as a parking services provider, which adds value for all its stakeholders, with stable cash flows, robust funding and a cost-effective investment property portfolio. With this, Q-Park will become less dependent on fluctuations in the economy and our results will be more predictable.

The Q-Park investment property portfolio includes long-term positions that generate predictable cash flows and forms an attractive proposition for new shareholders

seeking a long-term stable business with good cash flow visibility. We are well-positioned and our financial situation is stable and strong.

In September, our shareholders initiated a market orientation, in order to sell their shares. We consider this shareholder market orientation to be an exciting and unique opportunity for growth.

Innovation

ICT plays a crucial role in standardisation as well as enabling a flexible response to local requirements. We bring in knowledge and offer technical solutions, such as automatic number plate recognition and paying by smartphone or payment card. We have also developed and implemented a solution which enables motorists to enter and exit our car parks using their own debit or credit card. In 2016 we invested considerably in the development of our innovative Contact-to-Contract (C2C) proprietary system. Development is ongoing and we are continually improving and expanding the functionality. This is a true enabler for our future development and implementation of new and innovative services for commercial partners and customers.

We are already reaping the benefits of our ICT developments. Our new proprietary system and landlord portal enable us to facilitate the customer's journey, in both the virtual and physical sense, from the comfort of their 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 car parks – where commercial partners and customers can interact, for example to find parking solutions online, order a season ticket, or pre-book a parking space.

Materiality

This year we have asked our internal and external stakeholders to understand the issues that they consider most relevant. We are grateful to them for their efforts to familiarise themselves with our sector. The outcome (see materiality analysis) gives us good insight into

whether and where we can make improvements. It also tells us that our efforts to display certain material topics within this report was the right choice. For us, this goes without saying. We report to our stakeholders about the themes that are relevant to them, in this report and on our website.

Value creation

We create value through our portfolio of parking facilities at key locations, we offer landlords and municipalities a range of contract types and value propositions which are supported by our unique digital and pricing optimisation capabilities. We strive for operational excellence in all our activities and with the regional structure we introduced in 2015, we learn from each other and share our best practices. Our continually developing ICT platform enables us to provide these services effectively and efficiently.

We contribute to societal value with our parking products: they improve the quality of life in urban areas and help reduce air pollution generated by traffic cruising for a place to park. We enhance our employees' job satisfaction and their competences by providing relevant training.

And for the parking customer, we add value by providing functional products and services and by involving them in our activities.

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: population is declining faster than expected in rural areas. This affects the number of passenger cars and the demand for parking spaces, which will continue to grow in large cities. This drift 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.

Our strategy to achieve leading market positions fits in with this seamlessly. In Amsterdam, for example, our

leading position has enabled us to implement relevant solutions to improve the quality of life in the city. One feature allows residential parking permit holders to park their cars in our parking facilities at night, reducing search traffic. The city, the residents and Q-Park benefit from this synergetic collaboration.

Employee satisfaction

We want to make better use of the strength of our organisation, not only for our customers but also for our employees. That is why we held an international employee satisfaction survey this year which will serve as a baseline assessment for employee motivation and satisfaction. The outcome has already been used to initiate dialogue with our employees about possible adjustments and an action plan with concrete goals were set to make improvements where appropriate.

Organisational changes

On 1 January 2017 Theo Thuis stepped down from the Executive Board to fulfil a new role within Q-Park as head of our new innovation team. We would like to express our sincere gratitude to Theo for his contribution to the Board as COO for the past 16 years. We wish him the very best in his new role.

We would also like to take this opportunity to thank all our employees in the country organisations and at head office. Without their commitment and dedication, we would not be able to deliver a quality parking experience to our customers.

Executive Board

Frank De Moor - CEO
Marcello Iacono - CFO

Maastricht, 8 March 2017



F.K. (Frank) De Moor



M. (Marcello) Iacono

PROFILE

We are one of Europe's leading parking services providers, with 871,449 parking spaces in 6,343 secure, clean, and well-managed parking facilities across ten Northwest European countries.


The high level of quality that we provide is maintained by our 2,152 full-time employees and costs are controlled through the use of increasingly smarter solutions and systems.

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

Our activities focus on providing services related to parking at specific locations: in or near multifunctional inner-city areas, at public transport interchanges, and at hospitals.

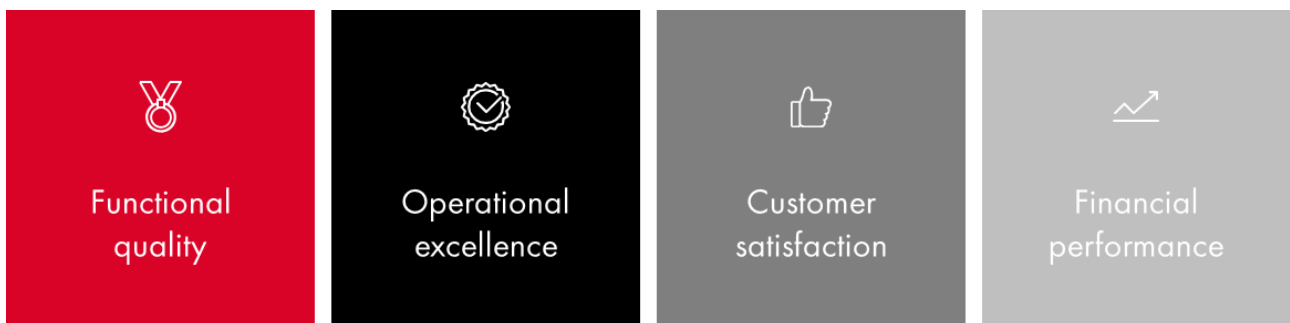
We create value by providing high-quality functionality for built parking facilities and off-street parking at strategic locations. We do business with a long-term perspective and from a solid financial basis. Our corporate social responsibility (CSR) report gives insight into how we create value including its impact.

By applying innovative technology and by working together with public and private parties, we offer sustainable, efficient, profitable, and customer-friendly parking solutions.

 More about who we are can be found on www.q-park.com.

Q-Park Vision

Q-Park aims 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.

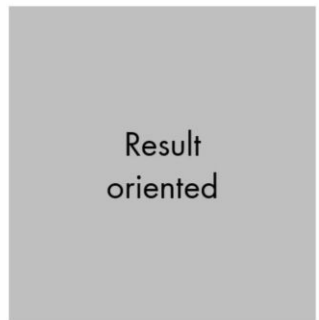
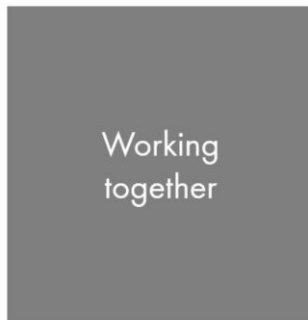


Q-Park Vision - Four basic principles



Q-Park's market position across ten Northwest European countries. In four of these we are the indisputable market leader.

QUALITY IN PARKING



Q-Park values

Q-Park stands for 'Quality in parking'. This fundamental choice for quality forms the core of economic value and our corporate social responsibility. With our parking facilities and associated services for our parking customers, Q-Park wants to be an integral part of the mobility chain and of making freedom of movement more sustainable.

Regulated- and paid parking, preferably in clean and safe parking facilities, offers an answer to the current and future challenges posed by the urban environment. It is on these topics that we initiate dialogue with local authorities and other stakeholders.

Our vision on paid parking implies that we not only add financial value for our shareholders and employees; with our activities, we also add societal value for a multitude of stakeholders. We focus on the areas where we and our stakeholders believe we can have the biggest impact. These are underpinned by our values and behaviours.

Mission

Q-Park enhances quality of life by providing clean and safe parking facilities, based on the pillars of convenience, reliability and hospitality.

Values

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

There is no such thing as free parking

The user or the local authority pays for the facilities which are essential to an attractive, accessible and viable city. Parking is not an end in itself, it is the shops, cafés and restaurants, culture, nightlife, centres of education and good hospitals that attract people. They want to park their car near to their final destination, and they are prepared to pay for this service.

Some cities are developing into magnets, others, where activity is decreasing, are lagging behind. They are considering or have already implemented free parking, and therefore granting a subsidy, but this is not a sustainable solution.

Core activities

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 partners and customers.

We identify two groups of customers: motorists who come to park, and commercial partners that offer parking as part of their own service offering, such as theatres, shopping centres, universities or hospitals.

Parking

A large proportion of our revenue consists of 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 pay for parking by means of Pay & Display parking tickets or by means of a parking service app. We also offer customers the opportunity to pre-book a parking space, through our own website.

Services

In addition, we offer services such as monitoring compliance to parking regulations applicable on the street and on private property. For partners, we are happy to manage their parking facility, and because of our scale of operations, we can do this efficiently and effectively.



help define our optimised parking tariff strategies per location and city. This tool also provides real-time insights and historic perspectives on a range of activities and transactions and helps us make smart business decisions at all levels of the organisation.

Customers can pay by cash or card. Parking space pre-bookings and season tickets can be purchased and paid for online. For all other management services we send an invoice, which the customer pays in accordance with the contract terms. Naturally, our payment options expand according to the needs of our various customer groups.



Parking convenience is also a key aspect of the recently implemented contactless identification techniques and contactless payment options installed in various combinations in purpose-built and off-street car parks. Contactless is now becoming the standard for our customers.

Resources

We maintain and optimise our parking management systems (PMS) so we can serve the market based on changing customer demands. ICT enables our customers to access our parking facilities using various access devices, such as a QR code (printed or on a smart phone), a number plate or payment card (with chip). Digitising access devices enables us to reduce the lead-time for confirming pre-bookings and issuing season tickets. It also reduces the costs of producing, distributing and maintaining tangible devices.

Big data

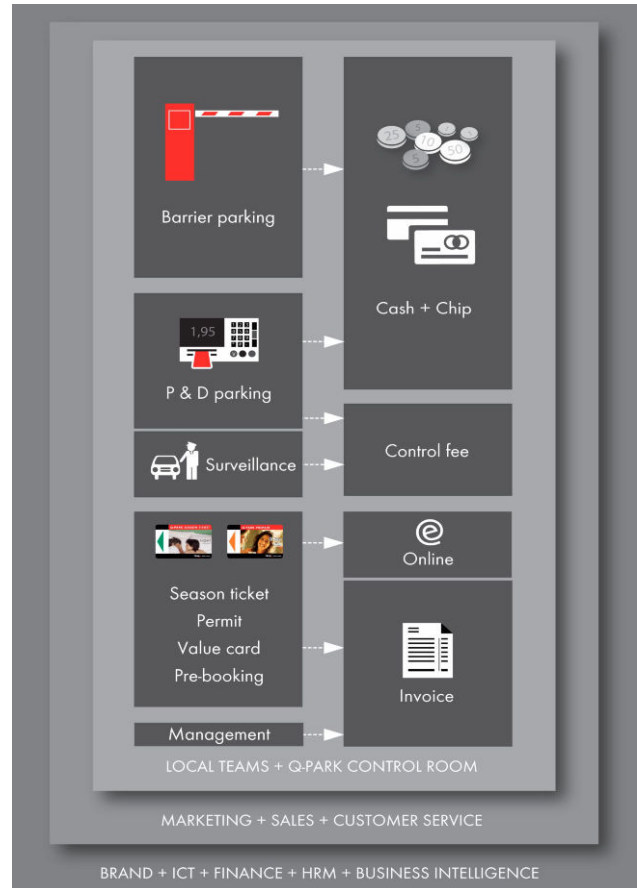
Big data helps us to proactively serve our customers and partners. We capture and analyse big data. This enables us to search, share, and integrate our data which we use for predictive analysis, gaining insights in business trends and to support our investment decisions.

Through our business intelligence tool, the country organisations have access to practical reports which

Parking Management Systems (PMS) vision

Our PMS Vision 2020 is all about being future-proof and flexible. In order to create value and optimise returns, our processes must be as efficient as possible in both the front-and back-office.

- Our PMS infrastructure which includes CCTV and intercom as well as speed gates, shutters, and cable work supports our operational business processes and is considered to be our PMS front-office.
- Our back-office operations run on a profound digital infrastructure which seamlessly integrates with our front-office (and our websites) for partners and customers to interact with us. For example to find parking solutions online, order a season ticket, or pre-book a parking space.



Core activities

STRATEGY





VALUE CREATION



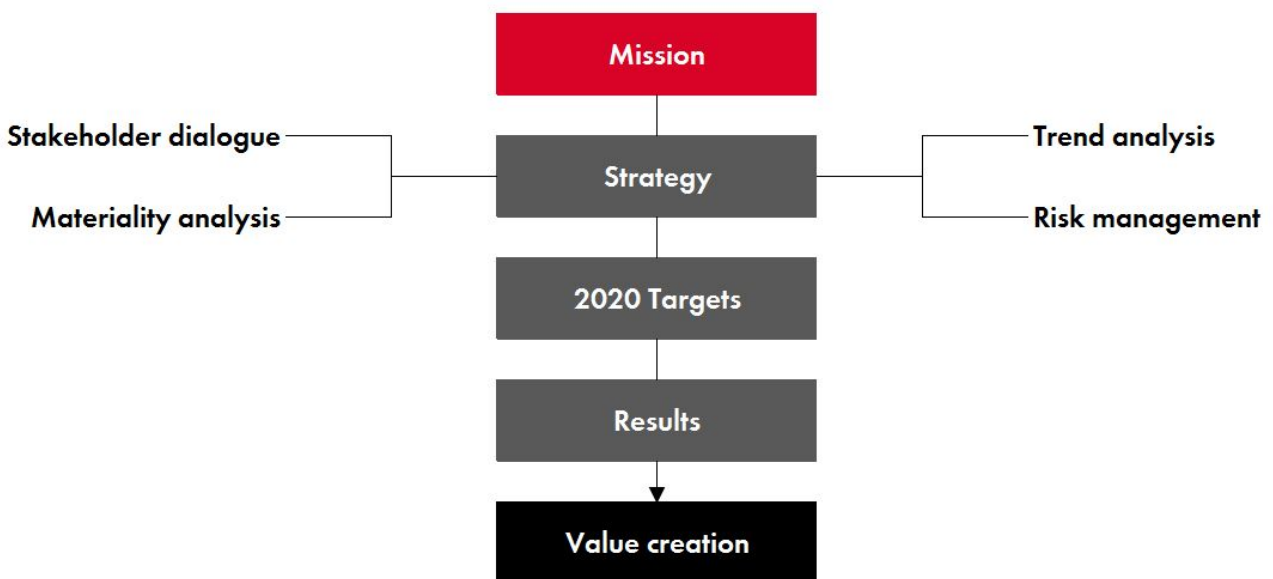
Q-Park five pillars

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, customers and employees.

Q-Park operates in a dynamic environment. To provide a dynamic response to external events and market trends our strategy is built on five pillars: strong locations, differentiated propositions, digital and

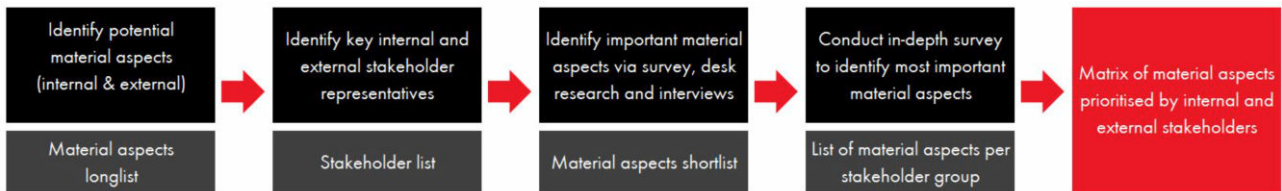
pricing capabilities, operational excellence, and becoming a proactive learning organisation.

We also 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.



Strategy structure

MATERIALITY ANALYSIS



Materiality analysis process

In this CSR report, we give an account of our financial and non-financial results. Corporate social responsibility is an integral part of our identity, of our policy, and of the way in which we manage our company.

stakeholders, employee survey, and the benchmark results enabled us to update our materiality matrix.

What do our stakeholders think?

Once every two years, we explore the issues that internal and external stakeholders consider most material and which are essential to pursuing our strategy. These have been analysed and are now included in our integral policy.

Materiality analysis

In 2014, we conducted an initial comprehensive materiality analysis, entirely in accordance with the G4 guidelines. In 2015 we classified these aspects according to the IIRC's Six Capitals.

The following capital icons in respective order for *financial*, *manufactured*, *intellectual*, *human*, *social*, and *natural* are used throughout the CSR report.



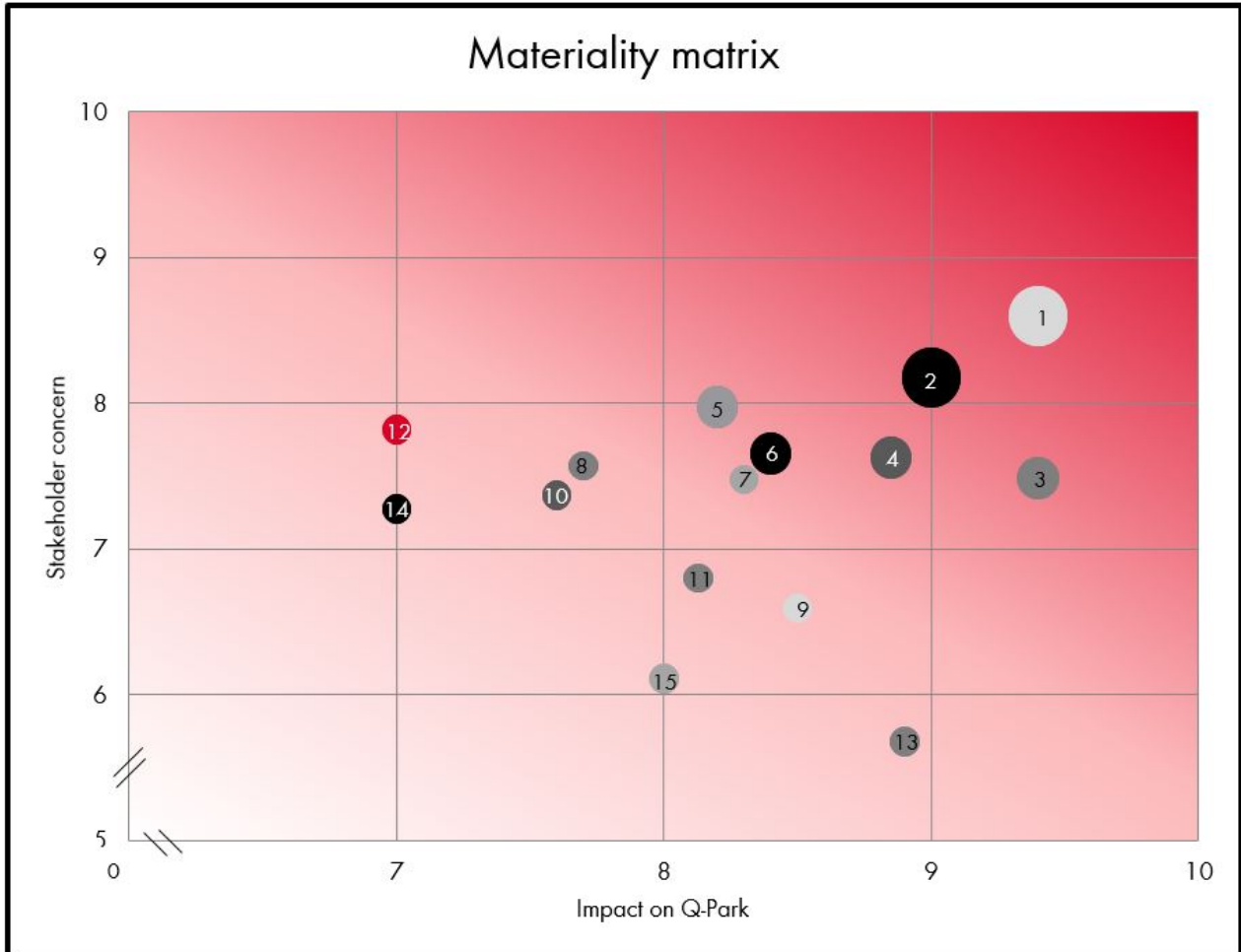
In 2016, we once again conducted a materiality study to determine whether the non-financial issues we have presented in recent years are still relevant and valuable to our stakeholders, and to ascertain whether these issues are still sufficiently in line with our strategic plans. To gain a good impression, we used a questionnaire to find out what our customers, investors and employees think. This together with the ongoing dialogue with our

The following aspects were found material and the appropriate performance indicators (PIs) have been added to our data gathering:

- | Corporate reputation and ethics
- | Compliance with law and regulations
- | Employee satisfaction and employment practices

In the coming years, we will further focus on these and carefully monitor the appropriate data.

The outcome of the materiality analysis also indicated that water consumption is not a relevant issue for Q-Park. Nevertheless, we have decided to include this topic in our continuous data gathering as it is relevant for different benchmarks such as the Global Real Estate Sustainability Benchmark (GRESB).



Capitals: Financial Manufactured Intellectual Human Social **Natural**

Q-Park materiality matrix 2016

- | | |
|---|---|
| 1. Economic performance | 1. Compliance with law and regulations |
| 2. Partnerships | 2. Training and education |
| 3. Corporate reputation and ethics | 3. Parking information |
| 4. Employee satisfaction and employment practices | 4. Energy consumption |
| 5. Parking integrated with other modes of transport | 5. Innovation and digital capabilities |
| 6. Customer satisfaction | 6. Transparent and integrated reporting |
| 7. Facilitating cars with enhanced env. performance | 7. Local community: health and safety |
| 8. Accessibility of parking facilities | |

Capitals	Shareholders	Customers	Business partners	Municipality/ Government	Q-Park/ Employees
Financial					
Economic performance (1)	•	•	•	•	•
Compliance with laws and regulations (9)	•	•	•	•	•
Manufactured					
Parking integrated with other modes of transport (5)		•	•	•	•
Facilitating cars with enhanced env. performance (7)			•	•	•
Local community: health and safety (15)	•	•	•	•	•
Intellectual					
Corporate reputation and ethics (3)	•	•	•	•	•
Accessibility of parking facilities (8)		•	•	•	•
Parking information (11)		•	•	•	•
Innovation and digital capabilities (13)		•	•	•	•
Human					
Employee satisfaction & Employment practices (4)	•		•	•	•
Training and education (10)			•	•	•
Social					
Partnerships (2)		•	•	•	•
Customer satisfaction (6)		•	•	•	•
Transparent and integrated reporting (14)	•	•	•	•	•
Natural					
Energy consumption (12)	•	•	•	•	•

Stakeholders and materiality aspects identified

Sustainable Development Goals

In 2016 we took the first steps towards shaping our corporate social responsibility (CSR) policy on the benchmarks set in the UN 17 Sustainable Development Goals (SDGs). These are a set of aspirational Global Goals with 169 targets between them, established in 2015 to address the biggest global issues – from poverty to climate change.

In line with our social commitment to playing our part in addressing these fundamental challenges we will identify ways in which Q-Park can best add value to this. By the end of 2017 we will have integrated our findings on our role in accelerating change with the UN SDGs. We are setting concrete sustainability goals to be met by 2030, with 2017 as baseline, as well as initiating concrete supporting actions.

While Q-Park is committed to supporting all 17 SDGs we will focus on how we can make progress on the goals that are material to us, and on those goals on which our business has the biggest impact.



UN 17 Sustainable Development Goals

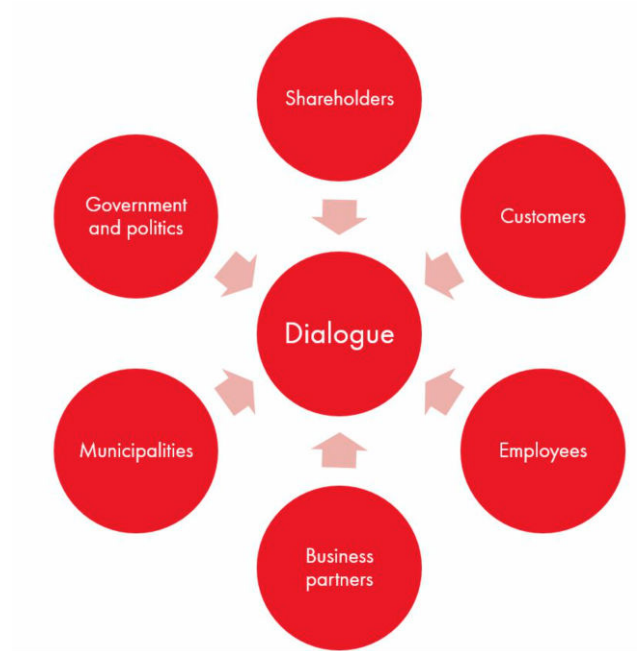
In dialogue with stakeholders

In 2016, we were in dialogue with our stakeholders concerning the strategy and targets set. We received positive as well as negative feedback. Sometimes, this led to dilemmas which we then discussed in more detail or for which we sought solutions together.

In 2016, we also held an international employee survey, People Performance Index (PPI), as well as various in-market customer satisfaction surveys, respectively in the Netherlands and in the United Kingdom (see Human).

Who are our stakeholders?

We have analysed our stakeholders and their interest in our company and operations. In the following table we have identified them, their concerns and our response.



Stakeholder dialogue

Stakeholders	Topic	Our response
Shareholders	Shareholders are concerned about car usage and car parking in the future, due to developments in the autonomous vehicles and car-sharing concepts.	We monitor developments that influence the car parking market closely. We share insights with each other and with third parties to ensure we can respond appropriately.
	Shareholders are concerned about the value of the investment property.	The valuation in 2016 was good and has been confirmed by the external valuer. In addition, the cash flows generated are developing positively. We continue to invest to maintain and strengthen the value. For further details, please refer to the 2016 Annual Accounts.
Customers	Online pre-booking is important: customers want to be able to plan ahead for events and trips so they can be certain of having a parking space.	We have developed our own back-office system to improve the service we offer. This system enables customers to pre-book a parking space or manage their season ticket. It enables CCV contactless payment which increases customer convenience on entering and exiting a car park.
Business partners	Partners want to offer their customers the most recent relevant developments,	We work together with many parties on developments concerning payments. The

Stakeholders	Topic	Our response
	including digital payment methods, pre-booking, permits and above all, online convenience.	new CCV card reader, which enables access and exit with a payment card and also uses the card as identification is already available and installed at many parking facilities. Privacy is guaranteed by means of tokenisation.
Municipalities	How will municipalities respond to the call from citizens and retailers for free parking? And how will we, as a partner to municipalities, deal with the response?	We have regular discussions with municipalities about what makes a sustainable mobility policy and the role of regulated and paid parking. We also share the results of relevant studies.
	Large cities want to see fewer cars on the streets.	We examine parking capacity management and help municipalities devise and implement a workable strategy. For example: parking permit holders in Amsterdam can park their cars in a Q-Park car park in the evening.
Government and politics	Emissions must be reduced and accessibility to cities as well as the quality of life should be improved.	Q-Park discusses sustainable mobility policy and the role of paid parking within this policy with municipalities – the main aspect is providing relevant information about alternative mobility solutions in order to reduce traffic cruising for a place to park.
	A frequently asked question concerns electric cars and charging stations whether they should be in the public space (on-street) and/or why and when they should be available in car parks.	Q-Park is committed to creating more charging stations in its parking facilities and places these where they will be useful, often in consultation with municipalities.
Employees	Health and safety is and remains paramount.	We train our employees in conflict management, and in heart resuscitation and how to use an AED. We will continue to offer this practical training.
	Sometimes paid parking leads to discussions or misunderstanding in the social sphere.	By encouraging card payments we reduce the amount of cash in circulation at parking facilities. This is safer for our customers as well as for our employees. We provide information online and give training to our employees about Q-Park's added value.

Stakeholders	Topic	Our response
		We continually inform our employees and substantiate what we do and why. See also www.q-park.com .

Symposium on the future of paid parking

In June 2016, we invited our shareholders, banks, management and strategic partners to our inaugural symposium entitled 'The Future of Paid Parking' held at the Eindhoven University of Technology Automotive Campus in Helmond, the Netherlands.

The aim was to generate discussion and ideas on the future of paid parking based on presentations given by thought leaders from various parts of the automotive and mobility sectors.



There were four informative and inspiring presentations to stimulate creative thinking on the following themes:

- | Carlo van de Weijer (TU Eindhoven & TomTom) on behaviour of the informed traveller,
- | George Gelauff (Knowledge Institute on Mobility) on what we can expect from intelligent cars (AVs),
- | Joachim Hauser (BMW Park Now) on driving with your smartphone and how the Internet of Things (IoT) and car of the future will interact,
- | Giuliano Mingardo (Erasmus University Rotterdam) on the role of municipalities and the retail sector.

QPARK SYMPOSIUM

The Future of Paid Parking



WELCOME!

THE FUTURE IS NOT ONLY ABOUT **TECHNOLOGY** BUT ALSO ABOUT OUR **SOCIETY**



NOT JUST ABOUT **PARKING** BUT ABOUT **MOBILITY**

YOU DON'T **PARK TO PARK!**

IS THERE A **FUTURE FOR PAID PARKING?**

THERE'S A NEED TO **REGULATE PARKING**





TREND ANALYSIS

The Q-Park corporate social responsibility (CSR) strategy is drawn up to respond to the trends we observe in the world in which we operate. We have endeavoured to indicate which parts of the IIRC Six Capitals framework these trends influence. Central to this is that we remain clearly focused on our stakeholders' needs. Here, we discuss both the opportunities arising from and threats to our market position.

Market trends

Economy



The economy in Europe is recovering and most countries are now above their pre-crisis/2008 levels of output. Recent data suggest that the Eurozone economy ended 2016 on a bright note, despite it being a rollercoaster of a year in terms of political developments. GDP growth picked up to 0.5 percent in the fourth quarter, after coming in at 0.3 percent in the previous two quarters. Rising populism, Brexit and terrorist attacks, on top of other political events, have been unable to dent the economy's momentum and economic sentiment in the common-currency bloc remains at a multi-year high¹. An upturn in the economy means an increase in mobility and that is an opportunity for Q-Park.

Political developments



From a broader perspective we note that the political arena in 2016 was turbulent. The Brexit vote in June 2016 brought Europe into a phase of uncertainty which will continue for the foreseeable future. Following the election of Donald Trump as US president in November, there has been much commotion about the future of international trade. The outcome of elections to be held in France, Germany, and the Netherlands in 2017 will partly determine stability in the European countries where Q-Park has a presence. As this could be seen as a future opportunity or threat depending on the outcome, we will keep monitoring it.

Turning motorists into pedestrians

The city of Brussels has set ambitious targets to reduce motorised traffic by 20 percent in 2018 (base year 2001) and for 40 percent of all mobility in the city to be on foot in 2040. The underlying philosophy is that to improve the quality of life, mobility and the environment, the city must adapt to reflect the human scale and find alternatives for the need to move around by car.



The starting point of the Brussels plan is the assumption that everyone is a pedestrian and that responding to pedestrian needs should become the reflex for all actors in mobility and city planning.

On-street parking replaced by car parks

To create more pedestrian space, on-street parking is to be replaced by underground parking facilities and by relocating and building up to 20,000 parking spaces at the edges of the pedestrian zone.

Great opportunity for Q-Park

With eight parking facilities in and around Brussels city centre to date, Q-Park is in an excellent position to work with the city of Brussels on mobility and city planning. Facilitating its residents, commuters and visitors with purpose built parking facilities at convenient locations.

¹ Economic Snapshot for the Euro Area, <http://www.focus-economics.com/regions/euro-area-2017>

Socio-economic trends

Urbanisation



By 2050 it is expected that 70 percent of the world's population will live in urban areas and cities, compared to 50 percent today², increasing the population and the demand for parking in large cities. More than two-thirds of all Europeans live in urban areas. This is also where approximately 85 percent of GDP is generated. This increasing economic activity also has consequences for the quality of life. Cities have to contend with congestion, traffic cruising for a place to park, reduced accessibility, air pollution, and unattractive and unsafe streets and squares, full of parked cars.



To prevent economic activity coming to a standstill, municipalities are increasingly realising that it is essential to develop and pursue an integral mobility policy which

includes:

- | Urban mobility
- | Smart parking tariff structures
- | Attractive parking facilities
- | Good use of limited space
- | Accessibility to urban amenities

Q-Park already works closely with municipalities to analyse changing mobility patterns and come up with innovative responses. We have parking capacity management systems in place for construction and operational use.

Demographics



Young people will continue to move from rural areas and smaller towns to bigger cities and the number of older people (60+) living in cities will rise as a result of general ageing and the fact that this age group is also moving to city apartments when their children are grown, taking advantage of the leisure, culture, and health amenities on offer. This represents a growth

² <http://www.prb.org/Publications/Lesson-Plans/HumanPopulation/Urbanization.aspx>, 2016

opportunity for Q-Park as car ownership is high in this age group³.

Influence of demographics

The demand for parking is linked to many factors including population size, the intensity of visits to a destination, economic trends, people's mobility choices, and levels of car ownership, as well as the supply and price of parking facilities.

Demographics and car ownership

The number of cars is closely linked to the size and composition of the population and the type of households they form. Population growth leads to more cars. Trends towards smaller households reinforce this as their level of car ownership per capita is higher.

Car ownership among older people is also increasing as people remain vital and active for longer and more of them have a driving licence than previous older generations. In contrast, average car ownership in urban environments is lower than elsewhere.

Urbanisation and car ownership

Population forecasts for 2030 show the strongest population growth is in the cities. This is mainly attributable to the natural drift of relatively young population groups to these cities and their relative attraction for migrants.

Regional demographic trends play a relatively important role in the future scale of car ownership, which in turn is a driving force behind future demand for parking. Various scenarios can be considered in which population growth is no longer a given. The number of cars owned will probably continue to grow since it is influenced not only by demographics but by economic and other factors.

Source: Demografische verandering en verstedelijking, experts of the Dutch Environmental Assessment Agency (PBL), Vexpansie, 2016

³ Boston Consulting Group

Developments in real estate



The European real estate industry is experiencing a seismic shift in its centre of gravity – from real estate as a financial asset, to real estate as a product and more significantly, to real estate as a service⁴. This is an advantage for us with our hybrid mix of investment property and operational income, as our business model already matches this trend perfectly.

No BREEAM standard for parking facilities

Some years ago the Dutch Green Building Council (DGBC) and a number of representatives from different sectors in the parking industry started to develop guidelines for the evaluation of new and existing parking facilities based on BREEAM-NL New Construction and BREEAM-NL In-Use.

The Building Research Establishment Environmental Assessment Method (BREEAM) is used internationally as a sustainability standard when developing buildings. This international scope is one of its main strengths. In order to enhance this international applicability the Building Research Establishment (BRE), which owns the BREEAM system, wants to align a number of standards.

It is therefore no longer appropriate to develop BREEAM standards specifically for the Netherlands, such as standards for parking facilities. In the BRE philosophy, parking facilities should be included in the Infra certification scheme because these buildings are generally not heated. In addition, in late 2015 BRE adopted the Civil Engineering Environmental Quality Assessment and Award Scheme (CEEQUAL) certification scheme, which also deals with infrastructure buildings. Parking facilities are already certified under CEEQUAL⁵.

Mobility trends

Changing customer behaviour



With the rise in online shopping, the traditional shopping experience in town and city centres is evolving.

Consumers make fewer physical visits to shop in town and city centres and when they do decide to 'go shopping' they turn it into a full-day 'experience' often followed by an evening out⁶.

This is shifting the pattern of physical shopping from smaller town locations to larger urban centres. This will create more demand for parking capacity management to improve access to the larger cities, with a corresponding fall in demand for locations in areas that are contracting. To reduce our dependency on any one type of parking purpose, we are already increasingly focusing on providing our parking services at multifunctional inner-city locations that serve a range of amenities, such as offices, shops and leisure attractions, at public transport interchanges, and at hospitals.

Sustainable developments in inner-cities



Larger cities are increasingly focusing on improving liveability and on sustainable mobility policies, both of

which influence car usage and parking. Local authorities around Europe are constantly searching for ways to make their communities more liveable. Major cities like Brussels are expanding their pedestrian areas and nudging car traffic away from city centres⁷. Cars will be excluded from the urban environment, polluting cars refused access or taxed more heavily. In December 2016, the mayors of Paris, Madrid, Athens and Mexico City announced plans to take diesel cars and vans off their roads by 2025⁷. There will be an increase in pedestrian zones and facilities for cyclists which will increase the need for underground parking facilities or

4 <http://www.pwc.com/gx/en/industries/financial-services/asset-management/emerging-trends-real-estate/europe-2017.html>

5 <https://www.parkeer24.nl/nieuws/211116/breeam-nl-voor-parkeergarages--gestopt>

6 <https://www.raconteur.net/business/perfecting-the-shopping-experience>

7 <https://arstechnica.com/cars/2016/12/paris-madrid-athens-and-mexico-city-will-ban-diesel-vehicles-by-2025/>

facilities outside the centre. Q-Park has recognised this trend for years and has adopted a CSR strategy in a way that we measure our progress on these developments.

Parking facilities are more expensive to build and maintain but are more sustainable than on-street and off-street parking. In return for the higher cost of construction, operation, and maintenance, multi-storey and underground car parks contribute to pedestrian-friendly and high-quality public spaces.

Sharing economy



As municipalities increasingly impose measures to nudge people towards lower car use in city centres, it is logical that young people in particular are embracing

car sharing as part of the wider trend towards the sharing economy. Young people who live in large cities have less need for a car, particularly when there are sufficient alternatives such as good public transport or cycling routes. The actual number of shared cars is still low compared to the total number of cars on the road and the associated growth outlook⁸.

In our stakeholder dialogues, we hear many questions on the trend towards the sharing economy and more specifically car sharing. As a strong supporter of initiatives to support sustainable mobility, Q-Park already focuses on providing parking spaces to car sharing service providers and their customers.

Electric cars

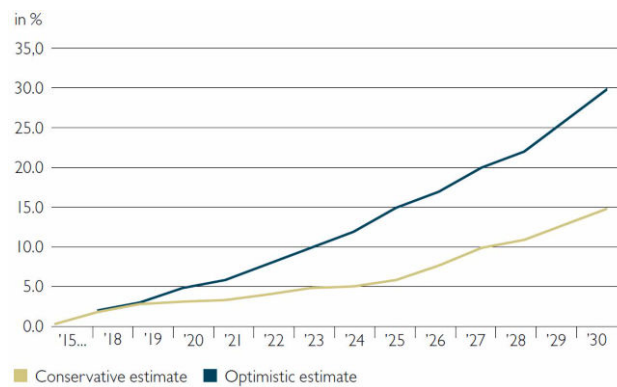


While the number of electric cars is rising in some countries, especially in Norway, the Netherlands and

France⁹, there are a number of constraints to sharp growth: battery technology, market acceptance, and concerns about the environmental impact of the electricity needed to charge them. Despite fiscal

incentive policies in some countries, consumers have not yet embraced the electric car on a large scale. Governments are now withdrawing fiscal advantages, so acceptance is likely to decrease even more.

We provide 591 charging points at Q-Park facilities, which enables us to meet the slow growth in our customers' charging requirements.



Source: Center of Automotive Management (CAM); designed by: Catella Research 2016

Expected e-car sales growth 2015-2030

Autonomous vehicles



The development of full autonomous vehicles (AVs) for private and shared use requires a huge technological

leap and investment from car manufacturers, and poses major infrastructure challenges to spatial planners. AVs have the potential to be a true disrupter in the automotive industry and in the public transport and infrastructure domains. This development has far-reaching implications which are currently being debated by manufacturers, consumer groups, insurers, lawyers, and politicians⁴.

In the medium to longer term, full AVs may form an influential trend. We anticipate the first commercial applications by as early as 2020, while the first autonomous motorway is expected in 2030¹⁰. This will really take off somewhere around 2040, and will

⁸ <https://www.fastcoexist.com/3027876/millennials-dont-care-about-owning-cars-and-car-makers-cant-figure-out-why>

⁹ https://en.wikipedia.org/wiki/Electric_car_use_by_country, 2017

¹⁰ http://www.driverless-future.com/?page_id=384

culminate in a completely self-driving ecosystem by 2050. We are keeping close track of these developments, as we anticipate that our parking facilities can form an essential and practical part of sustainable autonomous mobility.

Technology trends

Payment systems



Customers are becoming increasingly 'digitised': They expect to pre-book a parking space online, receive an e-invoice, and be able to pay online. They are happy to identify themselves through automatic number plate recognition if that makes entering and exiting a parking facility quicker and safer. And they are happy to pay for parking by means of an app or a bankcard instead of cash. In response to digital and payment trends, changes in customer needs and behaviour, and the evolution of smart cities, we are constantly developing our parking management systems and our operational processes. We already offer various electronic payment options.

Up-to-date information



Motorists expect to see the nearest available parking spaces through their in-car GPS. More and more information is becoming available to them to direct them to an available parking space while they are driving. The expectation is that local initiatives will be integrated into nationwide information systems in the near future, although this will apply only to purpose-built parking facilities and off-street car parking. Q-Park is at the forefront of these developments and already provides information via such systems.

Online services



Online services are essential for the future of the parking market. Think of pre-booking and paying for a parking space online, buying a parking season ticket, electronic invoices and payment options, a customer and partner portal, and targeted promotions in cooperation with partners (hotels, events, shopping centres). Q-Park is developing a digital platform to offer all these services, and to gain greater knowledge about our customers and partners.

Digital enforcement



Larger cities are introducing systems to deal with parking enforcement digitally¹¹. This results in a shift from pre-payment to post-payment, meaning that local authorities generate more income as willingness to pay for parking increases and the enforcement costs go down. Q-Park's response to this is to integrate on-street and off-street parking services to service local needs.



¹¹ <http://www.parking-net.com/parking-news/safer-place/parking-enforcement-2016>

The future of paid parking

At the stakeholder symposium entitled 'The future of paid parking' held in June, a lively discussion followed the presentations given by thought leaders from various parts of the automotive and mobility sectors. The following is a summary of the points of view aired:

- I As the population continues to grow, along with mobility, demand for parking will also grow. Smart cities will have smart parking solutions. Smart parking is an excellent mobility regulation tool and an integral part of a smart city.
- I Smart cities will also be digital cities with smart mobility. This is where traffic management and parking management are linked. With smart cars and autonomous vehicles it is foreseen that there will be less congestion and thus more reliable journey times. Autonomous vehicles will be the norm on motorways and on the city outskirts as motorists get closer to the city centre they will have to drive themselves again. Changes to city infrastructure will be needed to enable driverless travel from door to door.
- I Cities of the future will seek the right balance between locations and functions. Urban densities will be higher, amenities will be concentrated in a small part of the inner-city.
 - I On-street parking will be reduced in favour of pedestrian zones and cycle lanes.
 - I There will be three types of car parks: inner-city, Park & Walk (P+W), and Park & Ride (P+R).
 - I Functional differences will be introduced to car parks: for example, simple storage of cars, bicycle parking and hire, easy access to public transport.
 - I New contactless payment methods will also help integrate these services.
 - I The multifunctional car park of the future will offer a range of services such as shopping pick-up points, and short stay facilities serving differing needs of a range of motorists.
 - I It will be important to get the mix right and to have the right parking tariffs according to how far away the car park is from the actual destination.
- I Customers will expect a seamless parking experience – from easily finding a convenient place to park to easy digital payment. Paid parking will be deployed as a tool to regulate traffic in city centres. Motorists will no longer gamble on getting away with not paying as new applications technology, such as CCTV combined with the Internet of Things, will enable almost one hundred percent control of parking. This technology already works for toll roads, congestion charging and petrol stations.
- I As public and private modes of transport blur and the distinction between on-street and off-street parking also becomes more blurred, it will be important to focus on getting the parking facility typology mix right to meet demand.
- I To serve informed and connected customers it will be essential to connect car parks to digital platforms, and those digital platforms to customers and to businesses. There should be some differentiation between destination channels and those of intermediaries or parking service providers. These digital-age customers will demand hassle-free mobile digital payments. A communication layer connecting the customer and third-party sales channels with parking facilities will be an essential development.

Source: Q-Park Stakeholder Symposium, Eindhoven University of Technology, 2016

RISK MANAGEMENT

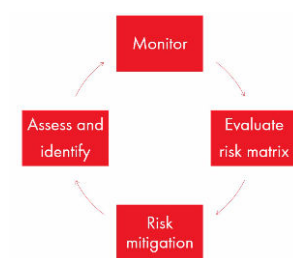
Risk management

A business must take some risks to create value. Having a risk management policy allows Q-Park to take risks in a managed and controlled manner. Q-Park makes strategic, operational, financial, and reputational risks controllable by carefully weighing risks and returns against each other. Effective risk management is integrated into Q-Park's daily operations.

Q-Park deploys a top-down risk management policy in which strategic risk management is executed at corporate level and operational risk management in the regions. Responsibility for operational risk management lies primarily with regional and functional management. The Executive Board however bears the ultimate responsibility for managing the risks the company faces.

Risk management and internal control

Ongoing identification and assessment of risks is part of Q-Park's governance and periodic business review. Q-Park's Enterprise Risk Management (ERM) policy is designed to provide senior 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 achieving key objectives and to initiate actions required to mitigate these risks.



Risk assessment process

The Executive Board and the Audit Committee periodically review these risks and the related mitigation controls and procedures. These bodies provide complementary insights into existing and emerging risks that are subsequently included in

the policy. Q-Park's ERM policy influences the formation of controls and procedures, and the focus of business planning and performance process.

Risk appetite

Factors which determine Q-Park's risk appetite include the international spread of its business, the robustness of its balance sheet, strength of cash flows, and a commitment to conservative financial management. Q-Park's risk appetite varies per objective and risk category:

- I **Strategic:** Taking strategic risks is an inherent part of how Q-Park does business. In pursuing growth as a strategic ambition, Q-Park is prepared to take risks in a responsible way taking account of our stakeholders' interests.
- I **Operational:** Depending on the type of operational risk, Q-Park takes a cautious to averse approach. We give the highest priority to ensuring the safety of our employees and customers, delivering the highest level of service and protecting the company's reputation.
- I **Financial:** Q-Park pursues a conservative financial strategy, including a balanced combination of self-insurance and commercial insurance coverage.
- I **Compliance:** Q-Park is averse to the risk of non-compliance with relevant laws or regulations, or non-compliance with our own codes, contractual agreements, and covenants.
- I **Fraudulent and unethical behaviour:** Q-Park and all our associates are committed to acting with honesty, integrity, and respect. Q-Park is fully averse to risks relating to fraudulent behaviour and applies a zero-tolerance policy.



Main risks matrix

Main risks

Q-Park has divided its risks into four groups:

- | Strategic risks
- | Operational risks
- | Financial risks
- | Compliance risks

The main risks matrix shows which aspects have the greatest influence on Q-Park's strategy and results.

The risk overview highlights the main risks which might prevent Q-Park achieving its strategic, operational, and financial objectives. The risks described are not an exhaustive list of the risks Q-Park faces. 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 Q-Park's financial position, results, operations, or liquidity.

Strategic

Risk description

Risk management measures

Regulatory changes to inner-city parking

National or local governments could implement measures which are potentially unfavourable to the parking sector, for instance as a result of pressure from public opinion, pressure groups, or election results. For example, the debate on banning traffic within city boundaries could adversely affect inner-city parking, resulting in lower revenue, and diminished profitability.

- | Cooperate with governments, NGOs, and businesses.
- | Ensure geographic diversification of Q-Park's portfolio over ten countries and a further spread across multiple indirect markets.
- | Invest extensively in online platforms and value-added services to become a proactive business partner for local authorities.

Economic environment

Factors that potentially influence parking prices include pressure from the general public and retailers, political changes, or a long-term fall in GDP. Lower parking prices would significantly impact Q-Park's profitability and cash flows.

- | Cooperate with governments, NGOs, and businesses.
- | Highlight the relevance of regulated and paid parking to society.
- | Use calculation models to set different parking tariff steps, start tariff, and whole-day tariffs. Simulate the effects of changing these parameters to align prices with the local circumstances and market situation.
- | Strengthen the commercial, customer, and market intelligence organisation.

Competitive environment and economic conditions

The parking market is characterised by intense competition between existing players. Competition from new technologies is also disrupting the current parking market, resulting in an increased focus on ICT developments.

- | Invest extensively in online platforms and PMSs to prepare the organisation for modern access and payment solutions.
- | Closely monitor developments in payment services and initiatives taken by new parking service providers.
- | Enter into joint ventures where collaboration offers opportunities for both parties.
- | Ensure geographic diversification of Q-Park's portfolio and a further spread across multiple indirect markets.

Dependency on non-parking business and functional development location

A car parking service is an indirect service which depends on other external factors (e.g. offices, shopping centres, leisure amenities). New consumer behaviour (e.g. online shopping, working from home) or changes in the

- | Ensure geographic diversification of Q-Park's portfolio and a further spread across multiple indirect markets.

popularity of certain stores or locations pose a risk of a significant decrease in demand for parking services and, consequently, a decrease in Q-Park's business and revenue.

Manage portfolio with focus on large multifunctional inner-city locations.

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 Q-Park's parking facilities, this could impact Q-Park's reputation.

- | Adhere to health and safety procedures relating to employees and customers.
- | Invest in maintenance to ensure clean and closed parking facilities with proper instructions for visitors.
- | Training and development to focus 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. Q-Park is particularly vulnerable regarding PMSs, ICT, and infrastructure.

- | Use different systems from independent suppliers where operational efficiency remains the primary objective.
- | Conduct preventive maintenance and make targeted investments.
- | Connect QCR to all parking facilities to assist in the event of business interruptions.
- | Operate 24-hour service desk.

ICT and information security

Given the increasing use of mobile communication and the professionalism of cybercriminals, 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). The theft of crucial or sensitive data could result in reputation damage, information leakage to competitors, as well as claims against the company.

- | Comply with PCI DSS.
- | Invest in ICT platform and related security policy.
- | Centralise ICT systems allowing central enforcement of security measures.
- | Take multiple measures to secure confidentiality and integrity of data, including continuity measures in conjunction with outsourcing partners.

Staffing and retention

Good, experienced, and knowledgeable people are the foundation of Q-Park and its success. The company must ensure that it is able to employ and retain the right people.

- | Implement a system for performance measurement and annual reviews.
- | Ensure effective employer branding and communication to the labour market.
- | Develop training and opportunities for all employees.

Ethics and integrity

Ethics and integrity are important conditions for confidence in Q-Park. Behaviour deemed to be unethical could lead to loss of revenue and reputation.

- | Implement code of ethics and whistle-blower policy.
- | Ensure Executive Board and senior management demonstrate 'tone at the top'.



- | Implement a zero-tolerance strategy.
- | Encourage non-cash payments and hire external parties for cash collection.



Financial

Risk description

Risk management measures

Valuation of investment property and goodwill

Q-Park owns a considerable amount of investment property and goodwill. If the economic climate deteriorates and potential fair value adjustments and impairments are not identified, determined, or communicated in a timely fashion, Q-Park could incur reputational damage.

- | Conduct investment property valuation annually.
- | Ensure extensive valuation process with multiple controls over input and output.
- | Employ an independent valuer to conduct the valuations.

Financing

Given that Q-Park is a capital-intensive company, access to external financing is crucial for continuity. A liquidity risk could arise if external financing is not available to Q-Park when refinancing is required.

- | Adopt a financing policy.
- | Agree long-term loans.
- | Enable early refinancing and a spread with different expiration dates for external loans.
- | Consult regularly with external debt providers to discuss the ongoing business, results, and strategy.

Interest rate risks

Q-Park has a significant external debt 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.

- | Seek a mix of fixed and variable interest rates for financing operations, combined with the use of interest rate instruments.
- | Adopt an interest rate policy in which at least half of the bank debt is covered by interest rate derivatives with a maximum volatility per annum.

Currency risk

Q-Park's functional currency is the euro. Given that Q-Park also operates in countries with a different functional currency, Q-Park is exposed to fluctuations in those currencies, which may result in unfavourable results.

- | Monitor and report periodically on currency risk exposure.
- | Optimise currency risk through natural hedges (external debt in foreign currency equal to the exposure).

Compliance and reporting

Risk description

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.

Risk management measures

- | Maintaining common accounting policies, reporting processes, and standard chart of accounts.
- | Maintaining a risk and control matrix.
- | Monitor critical access and segregation of duties.
- | Actively involve all stakeholders and request for responsibility.

Non-compliance with European and national laws

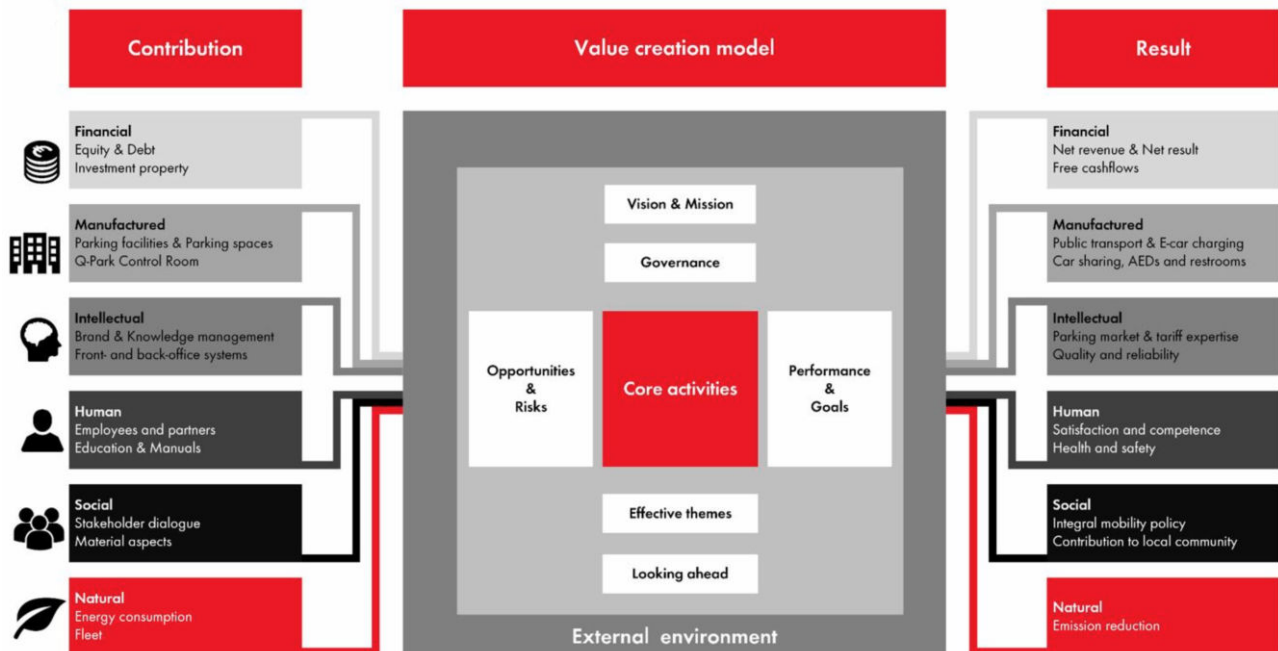
Changes in the legal and regulatory environment tend to increase the risk of non-compliance with local, national, and international laws and regulations, as well as tax legislation. Failure to comply with applicable regulations could lead to fines, claims, and reputational damage.

- | Implement risk and control systems and processes aimed at compliance with all applicable laws and regulations.
 - | Establish corporate functions to monitor local risks and challenges from a group perspective (e.g. tax, finance, and legal).
 - | Involve local external specialists where necessary (e.g. tax).
-

RESULTS



SUSTAINABLE VALUE



Value creation process

The major trends that influence the success of our business also help determine Q-Park's strategic direction. We aim to gain substantial benefit by utilising our scale of operations and excellent market position. We want to increase the margins on our operating activities by focusing on greater efficiency. We have already combined the management and administration of the country organisations into four regions and we are now focusing 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 policy and to work towards sustainable freedom of movement. We will achieve this through adopting a fair pricing policy, facilitating good information provision about available parking spaces, and integrating with alternative modes of transport. In response to digital and payment trends, changes in customer needs and behaviour, and the evolution of smart cities, we are constantly developing our parking management systems and our operational processes. An integral mobility policy is becoming increasingly important for

the quality of life and vitality of cities. In this, we offer motorists plenty of choice and help ensure the smooth flow of traffic.

Sustainable value

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

IIRC framework

To clarify the sustainable value we create, we use the IIRC framework which is based on the Six Capitals. With the capitals *financial, manufactured, intellectual, human, social, and natural* we realise certain benefits, financial as well as non-financial.

The capitals we are using are based on the following:



Financial capital is broadly understood as the pool of funds available to an organisation. This includes both debt and equity finance. This description of financial capital focuses on the source of funds,

rather than its application which results in the acquisition of manufactured or other forms of capital.



Manufactured capital is seen as human created, production-oriented equipment and tools. A distinction is drawn between inventory (as a short-term asset) and plant

and equipment (tangible capital). Although the identification of these items is generally agreed, their accounting treatment, particularly in terms of valuation, depreciation and taxation, is more contentious.



Intellectual capital is a key element in an organisation's future earning potential, with a tight link and contingency between investment in R&D, innovation, human

resources and external relationships, which can determine the organisation's competitive advantage.



Human capital is generally understood to consist of the individual's capabilities, and the knowledge, skills and experience of the company's employees and managers, as

they are relevant to the task at hand, as well as the capacity to add to this reservoir of knowledge, skills, and experience through individual learning.



Social and relationship capital may include relationships within an organisation, as well as those between an organisation and


















its external stakeholders, depending on where social boundaries are drawn.



Natural capital is a metaphor to indicate the importance of elements of nature (for example: minerals, ecosystems and ecosystem processes) to human society.

Natural ecosystems are defined by a number of environmental characteristics that in turn determine the ecosystems' capacity to provide goods and services.

SIX CAPITALS

Capitals	2020 Target*	2016	2015	2014
FINANCIAL				
 Net revenue (EUR million)	>5%	825,0	809,1	768,8
 Net result (EUR million)	↑	128,9	90,9	-227,7
 Operating cash flow (EUR million)	↑	202,8	193,9	89,9
MANUFACTURED				
 Owned and long-leased parking spaces within 300 m of a major public transport node	40%	112.970	108.993	103.109
 Owned and long-leased parking spaces for e-cars and car sharing	0,6%	1.551	1.349	1.113
 Built, owned and long-leased parking facilities (PFs) with AEDs publicly accessible	70%	225	214	138
INTELLECTUAL				
 Publications and/or speaking engagements on fair parking tariff strategies in target cities	200	189	175	66
 Owned and long-leased PFs able to provide dynamic info to a PRIS and/or to third party mobility 'phone/nav' applications	70%	393	393	353
 Owned and long-leased PFs providing information on 1) mobility options and/or 2) location/prices of alternative parking < 1 km (≈15 min walk)	35%	264	253	238
HUMAN				
 Employees trained in parking tariff strategies	15%	170	237	265
 Employees trained in heart resuscitation (first time or refresh)	30%	547	536	583
 Employees trained in conflict management (first time or refresh)	25%	558	638	550
SOCIAL				
 Target cities with owned and long-leased PFs with active involvement in municipal parking policies	50%	44	47	44
 Expense for societal activities expense in (local) communities: money, materials, food/beverages, etc. (EUR)	0,20% OPEX	411.501	335.913	300.707
 Owned and long-leased PFs that collaborate with driving schools	10%	55	51	43
NATURAL				
 CO ₂ (kg) emissions per parking space owned and long-leased	↓	149	153	154
 Percentage hybrid and electric vehicles	↑	26%	23%	20%
 Number of one-way plane tickets	↓	1.865	1.397	1.611

* Percentage in relation to the reporting year.

Key performance indicators

We want to create sustainable value for our stakeholders and society and we do this with our core activities. Our parking facilities are a stable investment and our parking services provide a stable cash flow.

Parking facilities have a positive impact on the quality of life of large cities. 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 hospitals, airports, universities and city centres.

Reducing traffic cruising for a place to park saves time and has a positive impact on air quality in the city. With this, we have an indirect influence on the well-being of people.

We also endeavour to take specific measures to reduce the negative impact that our own operating activities have on the environment. Our car fleet is slowly changing as we replace petrol and diesel cars with hybrid and electric cars.

In the following chapters we report on our 2016 financial and non-financial performance based on the Six Capitals as set out in the IIRC framework and our integrated management framework arising from our four-year plan, from 2017 to 2020.

Financial



Our aim is to be an all-round parking services provider that provides financial stability in combination with operational flexibility. Budget discipline and a company-wide focus on increasing the operational free cash flows is part of this. By exchanging best practices, engaging in new and promising relationships, increasing our market share in selected cities and continuing to reduce financing costs, as well as concentrating on cost management and return on investment, we want to sustainably increase the operational result and net result.

What we have achieved

Q-Park closed the 2016 financial year with very good financial results. We were able to maintain the upward trend that commenced in 2015 in revenue growth, operational result and free cash flow.

- I The revenue increased by 2 percent compared to 2015 and came out at EUR 825.0 million.
- I The net result grew from EUR 90.9 million in 2015 to EUR 128.9 million.
- I The cash flow from operating activities increased to EUR 202.8 million (2015: EUR 193.9 million).

We are perfectly on schedule with the four-year plan that our shareholders approved in 2015.

More information on other key figures such as the balance sheet, cash flows, business volume and shareholders' result can be found in Key figures.

Net revenue

(x EUR million)



Cash flow from operating activities

(x EUR million)



Property investments

(x EUR million)



Net bank debt / EBITDA



For more detailed financial information we refer you to the Annual Accounts or directly to the consolidated balance sheet, the overview of the consolidated comprehensive income, the movements in the consolidated shareholders' equity and the overview of the consolidated cash flow on our annual report website.

Pre-booking improvements

Pre-booking a parking space online is becoming more important. There are many digital channels through which customers are informed about travel options. As customers are becoming more demanding when pre-booking, we launched a digital platform to meet their expectations. The percentage of parking revenue generated by pre-booked parking spaces has been increasing since the launch.

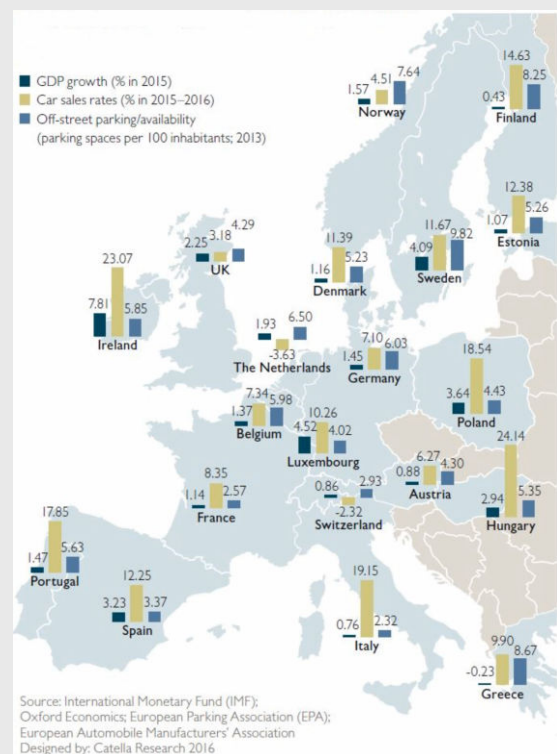
Revenue generated by pre-booking



In 2016, Q-Park France further improved its pre-booking website by making it mobile responsive so it is fast and easy to use on smartphones and tablets. New functionality added includes purchasing season tickets. The booking confirmation sent includes a QR code for display on the smartphone screen to easily enter the car park. All these improvements make it easier for customers to pre-book a parking space, increasing their mobility and flexibility, and saving them time.

Investment potential of car parks

Catella recently conducted a study into the multi-storey car park market, analysing the market structures currently in place. They believe that although multi-storey car parks have barely been on investors' radars, ongoing yield compression of traditional property investments is changing all that. They conclude that with a glance at the initial market structures, it is highly plausible that institutional investors would be able to diversify their portfolio with an investment in multi-storey car parks, achieving significant yields. The trends towards car sharing, electric cars and highly automated driving do not pose any disadvantages in terms of investments in multi-storeys. On the contrary, they will boost demand for paid parking. The clear excess demand strengthens the market power of the operators and will generally enable higher prices. The operating risk of the car park investor can therefore be classed as limited, due to the simple business model. Even in the case of operator insolvency, the cash flow will not necessarily come to a halt.



GDP growth, car sales and off-street parking

Manufactured



Our aim is to enable access to essential urban functions in conjunction with sustainability concerns.

We want to play a role in ensuring sustainable freedom of movement and mobility options for citizens, which is why we offer parking facilities for cars and bicycles at public transport nodes. For this, we seek active cooperation with local authorities. We support the use of more sustainable passenger cars by providing recharging stations for electric and hybrid cars at many of our facilities. We offer reserved parking spaces for customers participating in car sharing initiatives. In doing this, we offer motorists plenty of choice and help ensure the smooth flow of traffic.

From the customer research we have conducted, it transpires that of the many services we provide the presence of toilets and an AED are the most appreciated. That is why we want to have these elements available (or very close by) wherever possible in our owned or long-leased parking facilities.

Parking facility, delivery and storage

At Q-Park Mahler in Amsterdam, the Netherlands, we have started a partnership with De Buren; a franchise of drop-off and collection points. Customers do not have to be at home for a delivery – they can have their package delivered at a locker for which they receive the opening instructions.



De Buren is operated by DHL and other parcel companies. Q-Park is the first Dutch parking company to offer this

logistics solution.



CitySpace had the unique idea of launching new storage facilities in underground car parks right in the heart of

London. They are purpose-built, clean, bright white and with brand new storage units to keep customers belongings safe and easily accessible. By having the entrance to CitySpace in our facility, customers now have an alternative reason to visit the car park. It is a great way of using space for multiple purposes and as our customers include residents in the local area, it is ideal for people to store their valuables in one secure location.

Great solution for water problems at Berchem

Safety and comfort are extremely important for Q-Park. Given the continuing flooding problems around the station at Berchem (Belgium) caused by heavy rainfall, we decided to invest in a self-closing flood barrier to make sure that our customers, their cars, and our employees would no longer be faced with flooding in the parking facility. After heavy rainfall, we successfully activated the barrier, proving that we made the right decision to work together with Aggeres to bring this ambitious project to successful completion.

What we have achieved

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 CO₂ emissions. Integrated on-street and off-street parking solutions with bicycle parking provide answers in the short and longer terms. Increasingly, easy access to public transport is a key factor in this equation.



Our proximity to alternative mobility options has increased

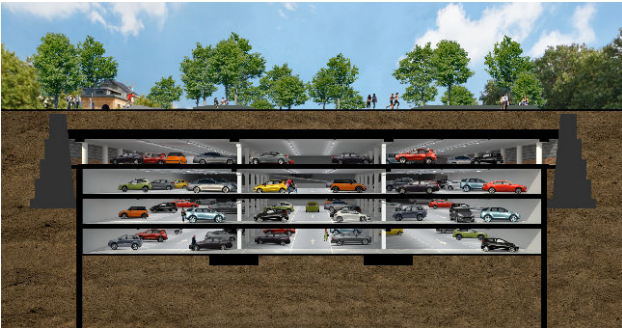
further, particularly in France, Sweden and Norway. As the chart shows, we have achieved our 30 percent target in recent years and are right on track to achieve our new and ambitious 2020 target of 40 percent.

Parking spaces near a public transport node and/or bicycle parking within 300 metres



In Antwerp, we were awarded the development contract for the Zuiderdokken (2,000 parking and 300 bicycles spaces) and the Handelsbeurs. The latter, which is being constructed under the 16th century structure will host more than 290 cars in the city centre.

We are meeting the city's requirements for bicycle parking by combining this development with another nearby Q-Park facility. Bikes and cars will then be neatly parked off the streets making the city centre even more attractive.



Antwerp Zuiderdokken, underground car park

Yet another example of our collaboration with municipalities to realise innovative solutions for motorists, cyclists, and pedestrians and to create a quality environment.



We have seen considerable growth in the number of parking spaces with charging points. In the UK, we have already introduced some rapid charging stations in

our facilities in Liverpool and in London.

Together with Chargemaster we are working on putting e-charging anxiety at bay. Chargemaster also operates POLAR, the UK's biggest public charging network.

In Sweden, we added numerous extra charging stations (with six extra locations in Stockholm) to meet increasing customer demand and to offer greater choice for e-car motorists.

We also have ambitious plans to further expand the options for our customers:

- | In the Netherlands, Q-Park is partnering with The New Motion to double the number of charging stations in its parking facilities by the end of 2017.
- | In Norway, we expect a substantial increase in demand for e-charging next year due to the introduction of a new parking law for e-charging which states that there must be sufficient number of charging stations in all publicly available parking facilities by the beginning of 2018. Demand will be generated from electric as well as hybrid cars that need charging while parked.



Although the number of parking spaces for shared cars increased considerably in Sweden, overall it decreased – mostly due to partners in Germany and the UK such as

Car2Go which scrapped a number of locations or the entire contract.



In Belgium and in the UK, Q-Park is helping to tackle urban mobility with

UbeeQO. UbeeQO is a car sharing service with an app

that brings together all essential urban mobility features: locate a car, book it, and pay for it securely. UbeeQO also has some parking spaces at Q-Park facilities for their cars.

Parking spaces reserved for electric and shared cars





Recurring customer satisfaction surveys show that our customers appreciate the presence toilets and AEDs the most. The AEDs should be located at a logical, secure and accessible place so they can be taken by trained volunteers or medical personnel when needed.

The number of publicly accessible AEDs has increased to 225 (2015: 214). However, in Belgium, some AEDs have been stolen or vandalised. We decided to only replace these if there were not sufficient AEDs available in the vicinity of these parking facilities.

AEDs publicly accessible



AED present



Toilets are present in the car park or there is signage directing people to the nearest toilets, for example in shopping centres. The number of owned or long-leased facilities with toilets available has increased at a slow pace.

Parking facilities with toilet available



Our targets for AEDs and toilets for 2020 are based on 70 percent of the purpose-built parking facilities owned or long-leased.



Another highly appreciated service is the presence of jump leads. The number of parking facilities with this service decreased from 393 to 384 in 2016, mostly due to Germany. There, jump leads are located in the Lodge of the parking facilities; which means these are not always available to customers. We have therefore removed these from the total.

Here we kept the target for 2020 at 90 percent of purpose-built parking facilities owned or long-leased. This percentage also includes jump leads that are present in the operational fleet and that are therefore available by means of our mobile teams.

Influence of parking policy on retail

The idea of high-quality parking spaces is anchored in how customers perceive quality and the core values they associate with it. Based on customer research, Molenaar and Bongarts identified the most important criteria which play a role in determining what makes a 'high-quality parking space'. The key aspects are:

Accessibility

Approximately 60 percent of visitors to city centres park their vehicle in the first parking location they find close to their destination. They want a parking location which is easily accessible and to be sure that a space will be available. They do not want to spend time driving around the city to find a parking spot. A key resistance factor is traffic jams. If they encounter frequent traffic jams on a particular route, visitors will go somewhere else. Acceptance of traffic jams is higher on journeys covering a greater distance.

Price

Approximately 60 percent of people parking indicate that they do not know what it costs to park where they have left their car. Only a small percentage of motorists (1.5 percent) choose where to park based on price. These are mostly people parking for a short period. The percentage stating that they make their choice based on price is higher among people parking for a longer period, when price does influence where people decide to park.

Walking distance

Research conducted in The Hague, Maastricht, Rijswijk and Rotterdam shows that the average walking distance to the final destination is four minutes (<300 metres). Almost 70 percent of those parking indicated that the walking distance to the final destination, for example theatre or shops, influences the choice for a specific parking location.

Availability of parking spaces

Approximately 60 percent of parking customers prefer to park in a car park. This percentage rises if there is no free parking in the area. If there are no available parking spaces in the area, the percentage willing to park in a car park rises to as high as 72 percent. The reason being that motorists do not want to spend time looking for a place to park. Approximately 20 percent of motorists indicate that they always park in the same place out of habit.

Safety

Customers attach great value to safety: over 80 percent consider safety a key aspect when determining where to park. Good lighting, cleanliness, and service are all mentioned as important.

Comfort

Customers consider easy access (wide entrance and exit lanes) to be important. They do not like sloping entrances or barriers in a bend, they want comfortable and easy turning circles, an ample parking space, angled parking, and no steep slopes to get from one level to the next.

Source: 'Invloed van parkeerbeleid op retail', C. Molenaar and J. Bongarts, Parkeer 24, 2016



Intellectual



Our aim is to deploy paid parking to improve the accessibility and quality of life in cities and to distribute the cost of parking to society more fairly.



We want motorists to be able to find a parking space quickly and easily at all times. This is why Q-Park wants to prevent its parking facilities (PFs) becoming full. A full PF means wasted time for the customer and more traffic cruising for a place to park. This creates more congestion on the streets and increases emissions of pollutants.



We endeavour to raise awareness and to influence people's behaviour. We provide online information about the availability of available parking spaces and the parking tariff. We do this via our website and the Q-Park app, but also by feeding navigation systems with up-to-date information. In order to

steer motorists to an available parking space quickly, we are increasingly deploying dynamic information systems. These provide up-to-date information about parking locations.

We develop ICT systems that support customer-friendly services, such as contactless payment by smartphone or payment card, online pre-booking and payment, purchasing a season ticket, and automatic number plate recognition that enables motorists to enter and exit our car parks conveniently.

Contactless payments

Customer convenience at the car park is also a key advantage of the recently implemented contactless identification techniques and contactless payment options installed in some of our purpose-built and off-street car parks. Contactless is becoming the standard for known (season-ticket holders and pre-booked tickets) and unknown (short-term parking) customers.

Tap & Go

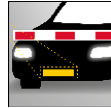
Q-Park has seen a significant rise in numbers of customers paying by card within the parking facilities. As contactless technology is widely available on mobile phones, bank cards and credit cards, customers are becoming familiar with contactless payments, a good reason for Q-Park to develop the new Tap & Go service in collaboration with CCV.

Q-Park Netherlands and Q-Park UK have already launched Tap & Go payments which enable customers to enter the parking facility quickly by tapping their contactless payment card or phone at the entry barrier and again on exiting. Customers no longer receive a paper ticket and do not need to go to the Pay-on-Foot (POF) terminal.

They appreciate this extra service and the convenience of not having to queue when they are ready to leave. Not only is it practical for motorists, it also increases safety for customers and our employees as there is less cash in the parking facility. The payment transaction is secure and is debited when the customer leaves the facility.

In the Netherlands, contactless payments are now possible in 152 facilities, and Q-Park Eurocenter, in Amsterdam, is even 100 percent cashless. We had more than 250,000 contactless transactions in the first year after launch and some 10 percent of all transactions in 2016 were contactless. Furthermore, we provided customers with a positive parking experience.

New generation parking meters



In France, new generation parking meters were installed with automatic number plate recognition. These accept credit cards, and also enable a direct purchase of an on-street parking season ticket from the meter.

Equipped with digital keypads, they enable customers to benefit from simple and practical parking solutions. These machines also support Whoosh! a telephone operated parking service in France similar to the Yellowbrick and ParkMobile services that operate in the Netherlands and Germany.

First kiosk

Q-Park Norway has launched a digital, free guest, parking solution (B2B) called 'First kiosk'. This was achieved by combining the hardware from Q-Park Denmark and software from a local data surveillance supplier (Giant Leap).

Digital licenses are linked to vehicle number plates, phasing out completely the need for paper permits. Customers who register their vehicle can park in the predefined facility zone for the defined time period. They do not have to return to their vehicle to display the permit on their dashboard. This not only gives a better overview of registered parking customers, but also enables very efficient surveillance in the parking area.

Q-Park Kulturen customers faced enormous queues at the POF terminals in our facility in Aalborg after events in the concert hall adjacent to the car park. To better cope with this, Q-Park Denmark developed 'Q-Park Pay' – an online payment service app for smartphones.



Q-Park Pay - Danish new payment web application

What we have achieved

The number of owned or long-leased parking facilities (PFs) that provide dynamic information to motorists about parking tariffs and available spaces in the neighbourhood was unchanged in 2016, but we still expect to achieve our target for 2020 as we are working on proprietary, integrated platforms.


Parking facilities (PFs) that provide dynamic information



There has been a small increase in the number of publications and events on pricing strategies, but we will need to increase our focus on this Performance Indicator (PI) if we want to achieve our 2020 target.

Publications and/or events about pricing strategies



 The number of owned or long-leased parking facilities where the parking tariff is adjusted according to supply and demand increased to 405 (2015: 395). In the near future we expect this number to increase further when more parking facilities are connected to our new online pre-booking system which makes it possible to offer different tariffs during the day and in the evening.

PFs with parking tariffs differentiated to supply and demand



The number of owned or long-leased parking facilities that were full on more than 25 days in a year decreased from 123 in 2015 to 118 in 2016¹², so we are now steadily working towards achieving our target in 2020. Reducing the number of 'Full' days contributes to accessibility of vital amenities and also reduces the amount of traffic cruising for a place to park.

¹² No data was available for the Netherlands; outcome for 2015 was used.

PFs with 'Full' indication >25 days



The digital platform provides an important foundation for improving our services. We can now inform customers more rapidly and more effectively about new and existing parking options. When developing our digital services, we have focused on comfort and convenience. As part of our commitment to increasing sustainable mobility, we also inform our customers about alternative mobility options (public transport, car rental, P+W, etc.). We are also happy to offer them information about cheaper parking alternatives so they can make a more conscious choice that suits their needs and budget.

PFs with info on mobility options and/or alternative parking



Map of Paris with Q-Park parking facilities and Europcar agencies



Q-Park France is working with Europcar in Paris and has created this special parking information map showing Q-Park and Europcar locations. Even though this is a great example of providing information about mobility options, unfortunately we have not yet achieved our target of 13 percent, as providing this information may be perceived as commercially sensitive.

However, we continue to seek and provide relevant mobility information to our customers.

Business Intelligence

The next big thing in parking

If applying the principles of Business Intelligence (BI) to parking holds out the promise of better management, and of fiscal windfalls, the implications go far beyond the integration of cutting edge technology into a business practice. BI allows for smart parking, and smart parking, in turn, is a key element in an emerging concept: the smart city.

Technological advances will be used to encourage the fluidity of movement (in many cases, with an emphasis on providing advantages for electric cars such as charging stations) and payments (via smartphones); apps will be developed with information on available spaces in real time, allowing for pre-booking and more.

The smart city will be more fluid and more environmentally friendly. But to become smart, cities must by necessity, integrate parking in their planning. It is imperative they have in place a global and long-term vision. The development of smart parking solutions is an emerging industry. However, already, across the globe, large urban areas are currently testing these solutions, along with airports, public transit agencies, and other organisations that manage large parking lots such as universities and hospitals.

Future parking needs must be thought out and planned today. An organisation using unparalleled analytics will be able to offer customer service with a high financial return, while taking advantage of new technologies to develop the best internal management processes in accordance with best industry practices.

Source: Optimum Parking Management, The Canadian Parking Association, 2016



Human



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

Q-Park has 2,507 employees (2,152 FTEs). The great majority of these people 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 but find it difficult to get a job elsewhere. We are a binding factor; we offer varied work and a certain status, so all colleagues feel appreciated.

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 a training course so they can learn to deal with such situations.

We offer our commercial employees a training course about parking tariffs to help them understand this complicated issue. Our policies are designed to establish a differentiated pricing policy which will influence motorists' behaviour and to ensure that parking facilities are always accessible (matching supply and demand through the parking tariff).

What we have achieved

The number of employees who attended a parking tariffs training and conflict management course was significantly lower than in 2015.

For parking tariffs, it was the lowest number of attendees since we started measuring. We will revisit this PI in 2017 to try to understand this result and take appropriate action.

Employees trained in parking tariff strategy



The number of employees we trained in resilience to aggression and violence decreased to 558. The decrease comes from lower numbers trained in most countries besides Finland. The reason for the reduction is mainly because we no longer have Parking Hosts in every parking facility, as our hosts work increasingly in mobile teams and with the QCR.

Employees trained in conflict management





Employees follow heart resuscitation training



In 2016, the number of employees who attended a first aid training course decreased to 449 (2015: 557). This is mainly because many courses were delayed until 2017, but also because some countries choose to only give this training course to employees who have been with the company for more than a year. However, there was a slight increase in heart resuscitation training due to courses given in France and Finland. Our target is that one third of our employees will have followed this training course by 2020.

Employees trained in heart resuscitation



In our 2016 materiality analysis, we found that anti-corruption was seen as material by our stakeholders. We have therefore included it in our data gathering and had our operations assessed for risks related to corruption.

This year, there were no confirmed incidents of corruption. However, we will keep measuring this and will also try to include an anti-corruption training in the general training package for employees.



International employee satisfaction survey

This year an international employee satisfaction survey, conducted in all Q-Park countries, was initiated by the Executive Board to obtain a clear idea of how employees view the company and to identify areas for improvement. With an average weighted score of 72, Q-Park scored above average on ICMA Group's People Performance international benchmark.

Confidence in long-term future

In general, employees at Q-Park are committed to achieving the company's goals at all levels, for themselves, for their team and for the company as a whole. They have confidence in the long-term vision of senior management and are optimistic about the future of the group. Employees feel connected with their team members and the company, but would like more information about the company strategy and the results that are expected from them and their team.

Identifying priorities

Besides strategic information, the survey also identified major priorities related to the day-to-day operations and segments to focus on. Operational issues such as physical working environment and safety, kept the overall motivation scores low particularly in the Netherlands, Germany and Ireland. The UK and Denmark scored best on operational aspects. Communication, the physical working environment and tools to do the job scored low in most countries. Some people felt that they were stagnating in their job due to lack of personal development and training opportunities.

Action plan

This kind of results from an employee motivation survey give the employer very specific information on how to better motivate and engage their employees across the board. Q-Park is acting on these results by increasing the training opportunities available in 2017. The shift towards increased digitisation, and particularly cashless payment, will help to improve safety and the general working environment of all employees.

Q-Park is now rolling out an action plan with specific improvement goals per country. The Executive Board is confident about improving employee motivation further and is committed to the success of the plan, with five priorities.



Q-Park priorities: communication, well-being, action-oriented senior management, working means and safety.

- | **Communication:** Improve clarity of information, make sure information is passed on in time, and communicate about the company strategy and about decisions.
- | **Well-being:** Be more approachable, communicate in a personal, direct and transparent way, and listen to employees' concerns in order to show that Q-Park cares about their well-being.
- | **Senior management:** Employees ask management to be more action-oriented and to take concrete measures to implement the strategy in the daily working environment.
- | **Working means:** Take employees concerns on inefficient working tools seriously.
- | **Safety:** Take employees concerns on safety issues seriously.

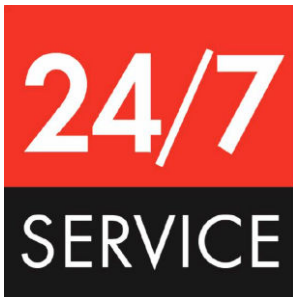


Social



Q-Park endeavours to be part of local mobility policy as well as being involved in relevant community activities such as learning to park properly and supporting local charities.

Q-Park is in favour of 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 car parks, and in the city centre or on the outskirts of the city. By engaging municipalities in dialogue on this matter, we want to use our expertise to make a contribution to the sustainability of cities. We seek collaboration with local authorities, so that regulated and paid parking become an integral part of urban mobility.



We are always nearby for motorists. We deploy our mobile teams in the city to ensure that customers who are in need of help get the assistance they need, and that our customers feel safe and welcome. Our Parking

Hosts are proud of what they mean to our customers. They are welcoming and can make the difference for Q-Park. This also applies to our call centre employees, who are ready to answer questions and offer assistance to customers 24/7.

Every four years we measure customer satisfaction. In 2017 we will use a Customer Performance Index for this. It is a methodology that is applicable to all stakeholders and in all the countries where we operate.

What we have achieved

Awards and certifications

This year, Q-Park Germany was awarded three ADAC certificates from the Parkhaustest 2016. In total, 44 parking facilities were tested in 12 large German cities. For construction, our facilities were rated good and for signage (signs and ground marking) very clear. The broad ramps, the angled parking spaces and the pillarless construction of the parking facilities were also highlighted by the ADAC. Furthermore, Q-Park standard services such as designated parking spaces for parents with children, cashless payment and the 24-hour exit possibility were positively received.

Q-Park Ireland was the official Parking Partner for Culture Night 2016, a public event that celebrates culture, creativity and the arts. This special and unique night with workshops was free of charge to encourage people to visit more cultural venues and experience culture, and to try new things.



Better returns from your car park

Medi Carpark Solutions was established in 2016. It is a collaboration between Q-Park NL, Holland Immo Group and Ten Brinke and specialises in facilitating car parks for hospitals by combining knowledge and expertise and the resources to build car parks. Parking is not part of a hospital's core business, but it is ours. The aim of this partnership is to unburden hospitals by providing a service that is essential to their business operations, but that is not one of their specialisations.

Customer surveys

A customer survey among season-ticket holders in the UK showed that security of cars and the price of parking were the two most important factors. Our customers

also indicated that a variety in payment methods are important.

The annual face-to-face customer survey conducted in the Netherlands asked customers how satisfied they are with:

- I The car park itself

UK season ticket customer survey

When choosing where to park, how important are....



- I Accessibility
- I Safety and cleanliness
- I Customer service
- I Proximity of the car park to their destination.

Overall, the results are similar to previous years.

In collaboration with the Dutch Railways, we also conducted a survey among customers of our Park+Ride car parks located at train stations. The general satisfaction score was 7.6 out of 10, which means that customers seem to be just as satisfied as in previous years. This year they were even more positive about the possibility to use their public transport chip card.

Community engagement

In the Netherlands, the City of Amsterdam, Q-Park and the police have joined forces in a public-private partnership to develop an integrated approach to stop car-related theft. Q-Park and the police launched a 'pilot project' using the new approach around Museumplein in Amsterdam. It seems to have worked: there were 25 percent fewer car break-ins compared to the same period in the previous year.



Prevent Smash & Grab partnership

Decreasing thefts from cars in car parks

The city of Amsterdam is the Top 10 travel destination in Europe. Parked cars are increasingly a target for criminals, with 9,965 thefts from cars reported in 2015 (30 percent of which were committed in car parks).

Car break-ins can be damaging to the public perception of the city and are devastating for the image of the car park. General safety measures have limited impact due to owners' habits of leaving their valuables 'hidden' in their car. In creating a campaign to change this behaviour, we faced two serious obstacles:

- I Cars are increasingly 'connected' through integrated technology (smartphones, tablets, players) and real-time interactivity (live assist, social media, interactive navigation). Hence, people perceive cars as a natural extension of their personal (living) space and as such – wrongly – as a 'safe' spot.
- I Systematically and visibly directing attention to car theft within a defined parking zone could cause people to perceive a broader area as unsafe. This could lead to the avoidance of a city area or car parks altogether.

It is essential to convince parking customers that a car – in general – is not a safe place to stow away valuables and it is important to do this without stigmatising the area where they parked.

Combining the experience and resources of the municipality of Amsterdam, the Amsterdam Police Department and Q-Park Netherlands, we addressed this problem by a combination of public space management, innovative policing tactics and a unique communication campaign.

The main purpose of the campaign was to create awareness of the risk among motorists and point out that theft from cars can be easily prevented by the customers themselves.

The main message combined several warnings:

- I A huge range of items attract car burglars, even items that you might not consider valuable.
- I Hidden i.e. 'invisible' in the car does not mean safe and unreachable.
- I Car break-ins happen faster than you can imagine, even in parking places considered 'safe'.
- I It is easy to prevent a car break-in; do not leave valuables in your car!



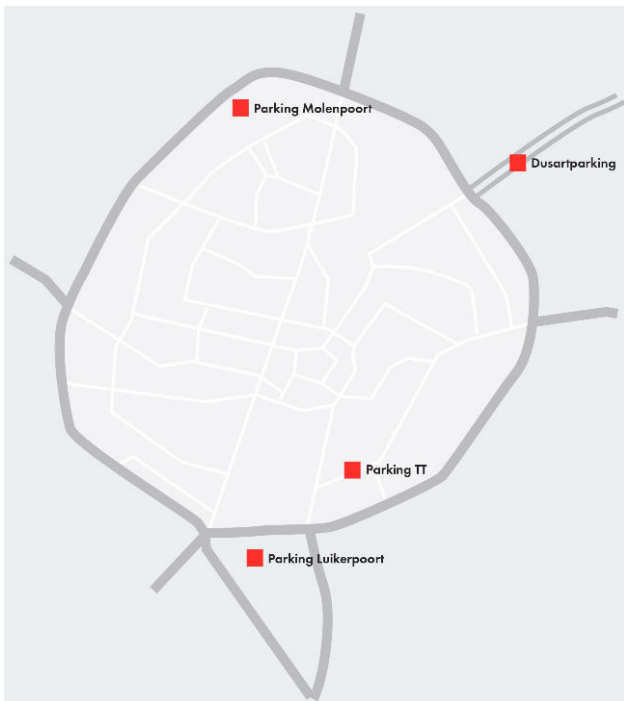
Prevent Smash & Grab in Q-Park Museumplein, Amsterdam

The number of target cities where we are actively involved in the local mobility policy has decreased compared to last year due to a recount in Ireland. But we are still in the race to meet our 2020 target of 50 percent.

Parking facilities in target cities where Q-Park is actively involved in an integral mobility policy



We are also working with the municipality of Hasselt to improve their mobility concept since we acquired a family-owned parking company in Hasselt, Belgium. We will operate the Dusartplein, Molenpoort, Parking TT (TweeTorenwijk) and Luikerpoort car parks.



Q-Park parking facilities in Hasselt, Belgium

In 2016, Q-Park UK formed a unique partnership with Roadchef (a motorway service area operator) to encourage safer driving by encouraging motorists to take regular breaks on longer journeys. Roadchef offers Q-Park Reward-app users an exclusive 18 percent discount at all service areas so that they save money

when taking a break. The partnership is a perfect fit for travelling customers who require parking once they arrive at their destination. In addition, as part of our traffic safety promotion, we collaborate with driving schools to help teach learner motorists how to manoeuvre in a car park and to raise their awareness of the consequences of their behaviour in the public space.

Parking facilities that collaborate with driving schools



Q-Park's spending for community activities in local communities increased by 23 percent to EUR 411,501, a figure based on all countries except Germany, Belgium and the United Kingdom.

Spending for community activities in local communities

(in EUR)



Q-Park Ireland sets a good example: EUR 9,500 was donated to the Mercy Hospital in Cork. In June, a further EUR 6,000 was donated to Temple Street Children's Hospital in Dublin as part of their ongoing partnership. This brings the total donation since the creation of the partnership to EUR 25,000. To express their appreciation of the continued support, Temple Street presented Q-Park Ireland with a 'Certificate of Appreciation'.



Q-Park IE Temple Street cheque

We maintained our GRESB ranking at 29. Our lower ranking at 47th place on the Transparency Benchmark (2015:31) still puts us within our target. For 2017, we aim to remain in the top 50.

Transparency Benchmark ranking



Q-Park Control Room (QCR)

Q-Park is the only player in the European parking industry which offers an international help desk available 24/7 to customers. The QCR gives customers instant access to multi-lingual Parking Hosts in a control room centrally operated by Q-Park. They provide help and support with queries relating to the payment system or to entering or exiting the parking facility.

The QCR also enables direct contact with Parking Hosts in the car park, and if necessary with service technicians and the service department.



Operations 2.0

The QCR was central to the success of our Operational Excellence programme known as Operations 2.0. The pilot project in Maastricht launched in 2008 was the first to connect the parking facilities to QCR. The programme also restructured parking facility operations into specialised groups: technical and constructional maintenance, cleaning maintenance, and hospitality services.

Following the rollout to the entire organisation, Operations 2.0 has reduced the number of customer complaints and working hours for Parking Hosts, has lowered costs and incidents related to Parking Management Systems, and has achieved savings on maintenance and cleaning costs.

Not only did Operations 2.0 generate proven cost savings it also helped to improve quality, customer satisfaction, and employee engagement.

Can parking be smart and sustainable?

In 2016, two international conferences were held in Brussels on the subject of *Smart Cities* and *Sustainable Urban Mobility Plans*. At first the participants expressed the view that parking management does not fit well with efforts to make mobility more sustainable and with smart cities. But it was explained that parking management is an excellent tool to achieve selective access for car traffic in the inner-cities: it discourages employees who want to park their cars in the inner-city for the whole day and facilitates visitors to shops or other inner-city attractions.

In this way, a parking facility in the inner-city can be shared by multiple visitors during the course of the day. Subsequently the pricing mechanism can be used to find the right balance between supply and demand set against the (desired) capacity of the infrastructure. To help shops on the high street survive, we need to provide a more attractive environment giving space for a 'shopping experience' alongside the more everyday shopping trips. Fewer on-street parking spaces is an important aspect of this, but is also a sensitive subject: replacing cheap resident permits for on-street parking (often costing less than a euro a day) with alternatives is proving to be a very turgid process.

Information

Smart mobility programmes offer opportunities to disrupt the daily routines of motorists by providing information that can change visitors' (parking) behaviour. If motorists do not know that they can park more economically somewhere else and still reach their destination easily, they will stick to their existing (politically undesirable) behaviour and keep on complaining about the high price of parking. Or they will stop going into town altogether, doing all their shopping online from the comfort of their own home instead.

A repeated theme in the discussions was the need to provide motorists with information about parking alternatives and real-time availability. The Dutch initiative to set up a national parking data platform was greeted with enthusiasm. Providing information to users through solutions such as apps is seen as a service provision which should be provided by the market players. This market-oriented approach was stressed in the presentations by the European Commissioner for Transport, Violeta Bulc, and the representatives of DG Move and DG Connect.

Making data available

During the discussion the distinction was made between the role of infrastructure (managed by various government agencies) and the role of service providers to consumers/travellers. The data relating to the infrastructure (including road, parking and public transport networks) and the current situation (use, disruptions etc.) fall under the responsibility of infrastructure. It is then up to the market players to use this data to develop services for consumers.

Pricing according to the time of day and length of stay are clearly the elements which have the most influence in people's choice of a parking facility as an element of a journey. This means that parking policy and the information relating to it are very direct drivers in the development of concepts for smart cities and smart mobility.

Source: Extract from 'Is parking really smart and sustainable', P. Martens, Vexpansie 1, 2016

Natural



We want to improve the environmental performance of our own parking facilities, our fleet, and our offices.

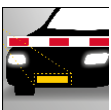
Q-Park is a large consumer of electricity, both for lighting and operational equipment, and for charging electric cars. We have an energy-saving programme to raise awareness of our own energy consumption, and to take measures to reduce this as well as our CO₂ footprint. We express this footprint in terms of the CO₂ emissions per parking space in an owned or long-leased parking facility.

Multi-storey car parks can also make a contribution towards sustainability and are certainly a strategic component in municipalities' efforts to reduce CO₂ emissions in cities. The expansion of the e-mobility segment also plays a vital role in this respect. As the 'garages of the future', multi-storey car parks offer the basic infrastructure to support this trend.

Source: Parking facilities in Europe – a market with space for investors, Market tracker, Catella, 2016

Installing energy-saving lighting and optimising the lifts and ventilation control systems are the primary measures we take in our parking facilities. For our operating activities, we take other measures: for example selecting cleaner vehicles for our fleet, and when we need to travel, we try to use public transport more often. By making use of modern communications technology, we avoid unnecessary travel.

Control fees



In Norway, we have started a pilot working with the Cale CWT P&D solar machine. It works with automatic number plate registration. Customers type in their

number plate, which is then automatically whitelisted. A great saving is that no paper tickets are involved. Control fee attendants only need to type in or use the camera in their PDA to scan and check the number plates of parked cars. The whole process has been digitised and standardised. Savings are made on many fronts: fewer P&D machines are required, there's no need to replenish tickets, and tickets cannot get lost. Operational costs are lower and these machines require less maintenance. The perfect solution for control fees for on-street parking or off-street car parks without a barrier.



Cale solar payment machines

What we have achieved

The Q-Park energy-saving programme is demonstrating clear benefits – in financial terms as well as in our environmental impact. We want to procure our energy on a larger scale by means of a central purchasing policy. Furthermore, due to the application of LED lighting and dimming technology we are consuming fewer kWh ourselves. In the period 2013 to 2016, we saved EUR 1,529,340 through these measures.



CO₂ reduction certificate

Q-Park Holding collects its old mobile phones and gives them a second life by donating them to the Ronald McDonald foundation.

Together with Weelec, a socially responsible processor of electronic waste, we make sure that our broken ICT equipment (laptops,

keyboards, etc.) is recycled in an environmentally friendly way. This also helps us to decrease our CO₂ consumption.

Our average CO₂ footprint per parking space in owned or long-leased facilities decreased from 153 kg in 2015 to 149 kg in 2016.

CO₂ footprint per parking space per type of structure



- I Scope 1: the emissions arising within the organisation decreased from 3,393 tCO₂ to 3,274 tCO₂ as some petrol cars in our fleet were replaced with hybrid vehicles.
- I Scope 2: the emissions outside the organisation decreased slightly from 28,385 tCO₂ to 28,248 tCO₂ due to lower electricity consumption in most countries. The installation of LEDs and light sensors has reduced our overall electricity consumption by 1,617,627 kWh compared to 2015.
- I Scope 3: other emissions rose from 279 tCO₂ to 366 tCO₂. This is mainly due to the increasing number of flights for our large international proprietary ICT programme, the C2C project.



Our car fleet is slowly changing and becoming more sustainable as we replace petrol and diesel cars with hybrid and electric cars.

For example, the number of electric cars in the fleet rose to 57 (in 2015 we had 50), and in parking facilities in the Netherlands, Ireland and Finland we deployed more electric cars.

We expect this trend to continue, especially in the Nordic countries where there are local tax benefits for electric and hybrid vehicles. The proportion of these cleaner cars has increased rapidly, and correspondingly the numbers of petrol cars in particular, have dropped accordingly.



The number of flights increased significantly, by 33 percent, as more regional meetings were held and the implementation of the C2C platform required more travelling.

Flights one-way



Our fleet is becoming more sustainable



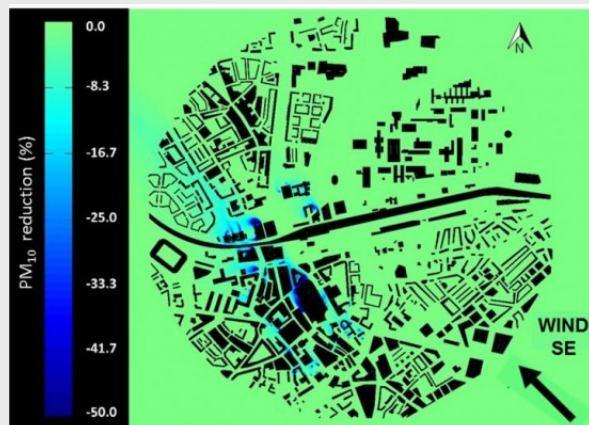
Air purification in car parks

According to a study by researchers from Eindhoven University of Technology (TU/e), eliminating particulate matter (PM10) from underground car parks in the city centre of Eindhoven could result in local reductions in the concentration of these particles of up to 50 percent.

Under the supervision of Professor Bert Blocken, the Eindhoven researchers made a very detailed computational grid of the city centre of Eindhoven. This grid covered an area of 5.1 square kilometres and included 16 underground car parks. The researchers calculated the effect on the concentration of particulate matter in the city with 99 or 594 air purification systems to capture particulate matter in these car parks.

Significant effect

The placing of 99 air purification systems inside the car parks generally decreases particulate matter concentrations outside the car parks locally by up to 10 percent. But with the use of 594 air purification units, a substantially larger area – up to a kilometre from the underground car parks – is affected where at least 10 percent reduction in particulate matter is observed. In certain locations this reduction even peaked at 40 or 50 percent less. While the simulations have their limitations compared to practice (for example, the force and direction of the wind can be particularly influential) the researchers conclude that this approach is an effective way of improving the air quality in a city centre.



The reduction of particulate matter concentrations in the city centre with the use of 594 air purification units. The darkness of the blue represents the amount of the reduction. In certain locations the reduction peaked clearly to 50 percent. The influence of the wind is very clear from this picture.

underground car parks act as cleansing lungs of the city.”

Improved outdoor air quality

This research indicates that local removal in semi-enclosed parking facilities can be a very effective strategy towards improved outdoor air quality. Under this condition, the local removal strategy can be practically implemented in many cities worldwide, where the costs of the electrostatic precipitators (ESPs) could be covered by minor increases in parking ticket costs. This could, at least partly, make motorists part of the solution, rather than part of the problem.

Lungs of the city

The idea to capture particulate matter in car parks comes from the environmental innovation company Environmental Nano Solution (ENS) Technology. ENS Technology devised the idea of capturing particulate matter in underground car parks. The company has developed an innovative technology that turns fine dust into coarse dust.

This is achieved by efficiently charging airborne fine dust particles and capturing them on a grounded collection plate. According to ENS director Lia van de Vorle: “Since the ventilation systems of the underground car parks are in contact with the streets and shopping zones above, these garages have a considerable influence on the air quality in the city centre. By eliminating particulate matter in these places and by ventilating clean air into the city,

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 chapter summarises the most important aspects in 2016 that did not go as expected and which need to be looked at carefully in the future if we want to reach the targets we have set ourselves for 2020.

Training employees



Just like Q-Park, our stakeholders consider employee training and education to be very important. We therefore include this in our policy, and that is why we train our staff particularly in (personal) security, conflict management and pricing strategy. 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 have been postponed and will be resumed in 2017.

Employee motivation



An international employee satisfaction survey conducted in 2016 revealed areas for improvement in communication, the physical working environment and operational topics including employee safety, training and development. Particular attention needs to be paid to operational issues in the Netherlands, Germany, Ireland, France and Sweden. The company is taking initiatives to achieve improvements (see Human).

Decrease in the Transparency Benchmark



We achieved the 47th place on the TB with 172 points (2015: 31 with 170 points), which is a lower ranking, but which still puts us within our target, which is to remain in the top 20 to 50. We will revisit this target in 2017 to align it with our corporate strategy.

GRESB benchmark



In cooperation with a large group of institutional investors, including Q-Park shareholders, the Global Real Estate

Sustainability Benchmark (GRESB) gathers information about sustainable performance of real estate companies and property funds. However, we believe that parking facilities cannot be compared to other commercial and industrial construction: we consider that we fall into the category of an operational company rather than a real estate company.

For this reason there are material differences between the reporting needs of GRESB and the reporting needs of our stakeholders, which influence the results. Reporting on water consumption is a good example of materiality differences. Naturally, we will continue to monitor the valuation of this benchmark among our shareholders.



Our position in the GRESB rankings in 2016

Number of flights



Due to the setting up and launching of the new C2C platform, travelling has increased especially from and to the Nordic region, increasing the number of flight tickets by 33 percent. As more countries are connected to the platform, our need to travel by airplane will decrease, bringing it back to our 'normal' figures.

Best practices



As our organisation is active in ten countries, we have many regional differences and local interpretations, and legislation often differs per country too. Our goal is

to share the wealth of knowledge within our company and to make better use of this. The region organisations we have created between the holding company and the national organisations should contribute to this exchange. In fact, we are implementing a culture change that needs further nurturing.

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. Today, the reporting process is standardised and the structure of the data requested can easily be checked for completeness and reliability. The whole process is therefore already prepared for future external verification with the quality standards that stakeholders expect from us.

Employees must stick to the rules

In Denmark, two Parking Hosts drew attention from the media, after having parked in a space reserved for blue badge holders (for disabled motorists).

Q-Park takes illegal parking in spaces reserved for blue badge holders very seriously. In principle, Parking Hosts have a special permit to park in the parking facilities as they go about their work, but this permit does not include parking on emergency access route or reserved spaces.

To prevent this from happening again, Q-Park Denmark followed up this incident with clear communication to employees on the subject to make sure that all employees are fully aware of the rules that apply.

LOOKING AHEAD

The way forward to 2020 and beyond

While there is a general post-Brexit slump in sentiment towards the UK, investors continue to see value in real estate across many parts of Europe. However, return expectations are being scaled down, and the importance of active asset management as a means to access income is being talked up¹³. We are therefore cautiously optimistic about the economic outlook. The mood is volatile, particularly on the stock markets, but also in society in general. This is due to the many uncertainties that dominate the news, such as geopolitical tensions, the low inflation in the Eurozone, the refugee crisis, and the fear of terrorism. However, as unemployment continues to fall and the economy recovers, mobility will continue to increase, bringing motorists to our parking facilities.

Upward trend

After three years with good results, we have demonstrated that our financial policy is effective. The formation of the regions is complete, and the initial signals from the new collaboration model are positive. If we continue to share successes with each other and show that the model we have created works in practice, this will give our plans a welcome boost.

Q-Park is always looking at ways to improve the customer experience. In addition to the practical collaboration models, we will be conducting a widely supported and internationally comparative customer satisfaction survey and aligning this to the latest developments and strategic choices. Being consistent with national customer satisfaction survey requirements is vital, as is making use of the information to forge valuable and specific improvement plans. We also invest in new technology and provide our customers quick and easy access.

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.

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. And the benefits for 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 services. We will also continue to focus on e-charging in certain regions where demand is growing.

It goes without saying that we keep a close eye on developments that influence the car parking market such as the need for accessible inner-cities, the growth of online sales, as well as autonomous 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.

CSR report

In this report we document our progress against the four-year milestones we communicated for 2016. In order to meet our 2020 commitments, we have adjusted our targets. We will report our progress towards these milestones each year in our CSR report. We have also started to review our sustainability strategy based on our stakeholder dialogue, the new materiality analysis.

In 2017 we will set our focus on the Sustainable Development Goals (SDGs). Also known as the Global Goals, SDGs are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. These will be further implemented in our organisation and we will implement appropriate performance indicators (PIs) and place these in the context of the framework for integrated reporting (including relevant information from our Annual Report) as published by the IIRC.

¹³ Emerging Trends in Real Estate: Europe 2017, PWC 2017

Our non-financial data assurance and processes are still not as highly automated as those for the financial information. We want to improve this so that we can report as efficiently and reliably as possible and monitor the improvement projects.

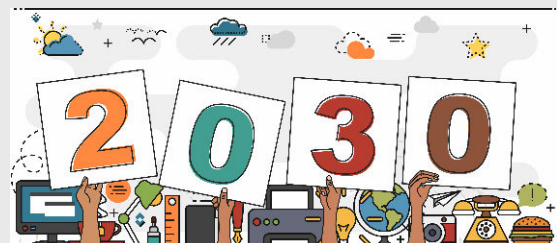
Parking in 2030

The car - in whatever form - is not going to disappear. "The advantages of having your own car are often overlooked: people really like being in their own space, in their own car, listening to their favourite radio station. Even in traffic jams," says Meindert Schut.

Another advantage of the car is that it offers a door-to-door solution: "It is and always will be really convenient to be dropped off at your own front door. And if that car then parks itself, that's great. Then your parking problem will be solved too."

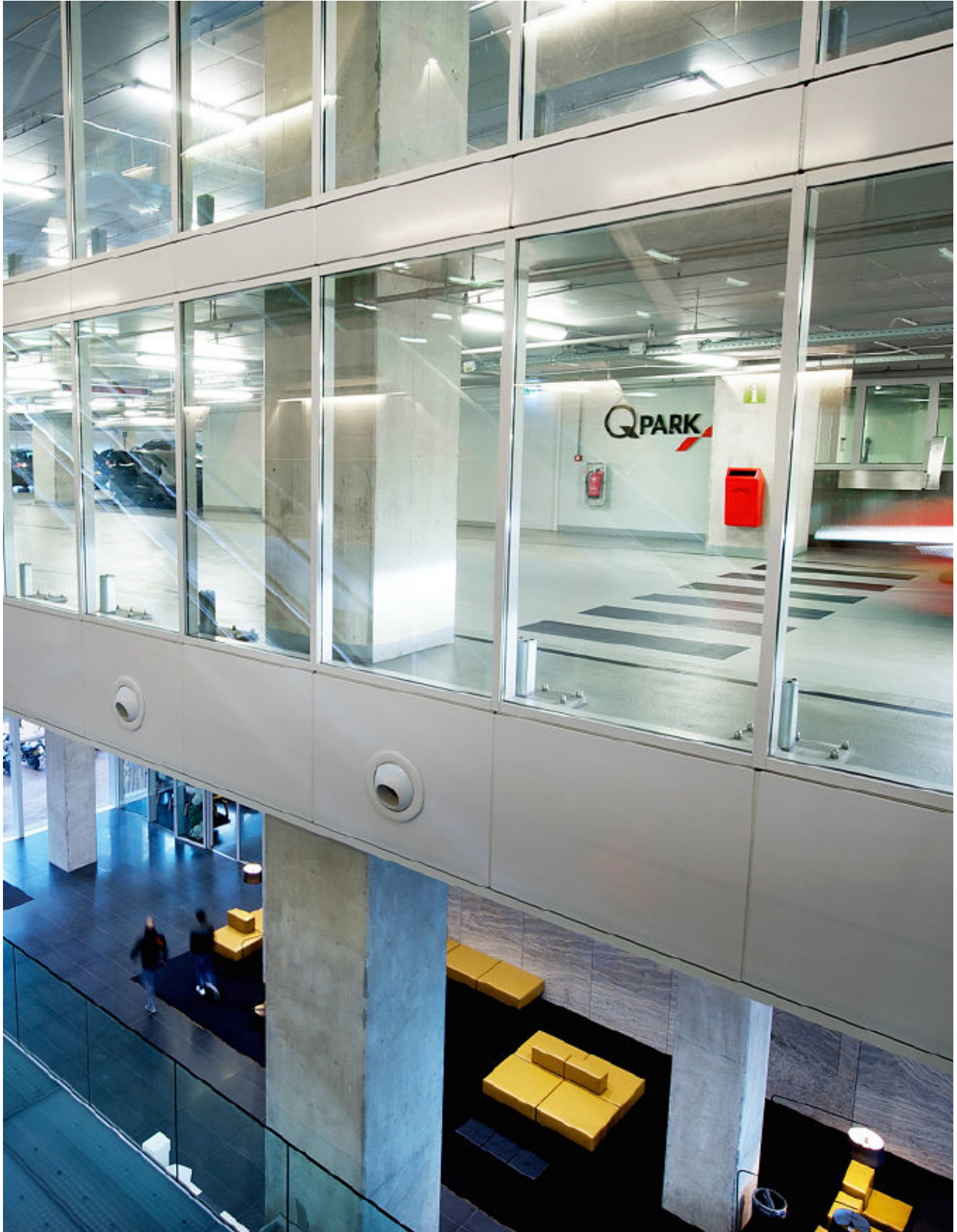
According to Mr Schut autonomous cars and self-parking cars can do a lot already: "The technology is moving very fast. There are already some cars which can manoeuvre into and out of parking spaces without a motorist.

So, it won't be long before they can drive away themselves and park themselves. I can see that happening." And the parking space they use doesn't need to be at a parking location out-of-town: "That would mean adapting all kinds of facilities. I think there are enough options in city centres, for instance underground parking facilities, there's enough space. And if cars can park themselves, they'll probably park more neatly in ordered rows which, in turn, creates more space."



Source: National Automobile Show and Eyeopeners on Dutch news radio station BNR, M.Schut, 2016

POLICY



CSR POLICY

For Q-Park, corporate social responsibility (CSR) means being prepared to include ethical, social and environmental aspects in our strategy. But we go further: we actually involve these aspects in the decisions we make. Q-Park offers openness over the consequences of what we do for people, society and the environment. Our CSR awareness focuses on sustainability performance within our chain: Q-Park as a whole, each of our country organisations, our customers and society.

For Q-Park, complying with legislation and prevailing standards is a minimum requirement. In our view, CSR is exactly that which an organisation does of its own volition.

People, Planet, Profit

Through its CSR policy, Q-Park endeavours to achieve a balance between the three Ps of the Triple P principle: the economical ('Profit'), societal ('People') and environmental ('Planet') consequences of its activities in the short and longer term. Here we distinguish between factors that Q-Park decides for itself, such as our own operating activities in the parking facilities we own or have in long lease, and the factors on which Q-Park can only exercise its influence. Examples of these factors include parking management in property owned by third parties, and the mobility habits of our customers.

Policy choices

The CSR policy forms part of the long-term business plan. The policy choices are based on our own quality promise and the CSR vision. These are in line with developments in the European economy and the car parking market, and with the European Union Sustainable Development Strategy (EU SDS).

Ambitions

Q-Park selects ambitions that fit in with our own strategy and that are applicable throughout the organisation. By defining specific goals, critical success factors (CSFs) and performance indicators (PIs) we ensure that our performance can be compared from one year to the next. Only in this way can we take specific action and adjust direction where necessary.

Stakeholders


Stakeholders' opinions and expectations are essential input to Q-Park to evaluate and improve the quality and continuity of the services and operating activities. This is why we continually consult our country management teams, employees, partners and shareholders and why we involve them in our activities.

In addition, for each specific project we decide with which relevant stakeholders we will enter into dialogue. The communication with these stakeholders is also a good way to keep abreast of trends and developments, to share knowledge and experience, to build confidence and to prevent or resolve problems.

Reporting standards

We report according to the G4 guidelines at Core level and to the Transparency Benchmark criteria. The report contains standard disclosures according to the "GRI Sustainability Reporting Guidelines". The Construction and Real Estate sector supplement does not sufficiently reflect the nature of our business, which is why we do not apply this. However, we have taken note of the relevant points mentioned.

Q-Park's policy is based on the EU SDS, ISO 26000 self-declaration, OECD Guidelines and UNGC Principles, ICC Code and the Dutch Corporate Governance Code (2007). For our energy consumption, our greenhouse gas emissions and our CO₂ calculations we use the GHG Protocol.


 For more information regarding our CSR policy we refer you to the CSR section on www.q-park.com.

GOVERNANCE


Corporate governance

For the governance of the company, we refer you to our corporate website where you will find the Q-Park Governance Code, which is based on the Dutch Corporate Governance Code (DCGC).


The Code offers terms of reference and guidelines for corporate ethics, sound corporate governance, and proper supervision. The Code also provides insight into the tasks and responsibilities of the various administrative bodies, the remuneration policy, the provision of information, and the organisational structure.

 For more information about our Governance Code we refer you to our codes on our website www.q-park.com.


For information about the structure of our company, we refer you to the Organisation chart, and you will find the legal structure at the foot of the Governance section on our corporate website.

 For the most up-to-date organisation chart we refer you to the Organisation chart section on www.q-park.com.

For the most up-to-date personal profiles of the executive board members, we refer you to the Executive Board section on our corporate website. Here, you also will find the composition of the Executive Board (EB) in previous years.

 For the most up-to-date personal profiles of the Executive Board members we refer you to the Executive Board section on www.q-park.com.

The most up-to-date personal profiles of the supervisory board members can be found in the Supervisory Board section of our corporate website. Here, you also will find the composition of the Supervisory Board (SB) in previous years.

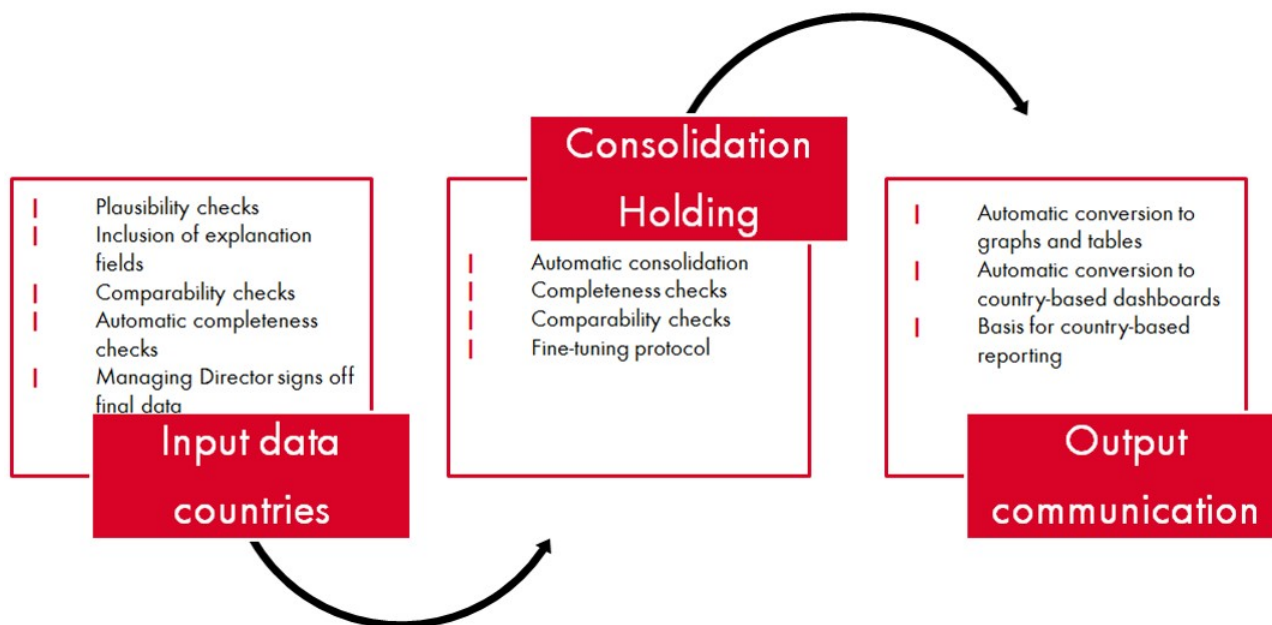
 For the most up-to-date personal profiles of the Supervisory Board members we refer you to the Supervisory Board section on www.q-park.com.

Societal policy management

For the management of our societal policy, we refer you to our CSR Code and for the specific management and structure, to the CSR governance section on our corporate website.

 Further information about the non-financial remuneration policy can be found under CSR remuneration on our website www.q-park.com.

ACCOUNTING FRAMEWORK



CSR data process

This CSR report provides information about the economic and societal value that Q-Park creates from the resources we use, and is intended for all our stakeholders: customers, employees, shareholders, banks and (financial) business partners, suppliers, governments, those living in the neighbourhood, and societal organisations.

Contents and relevance

The emphasis of this report lies on the commercial, societal, and environmental targets which are most relevant to Q-Park. These targets concern sustainable urban mobility to which we can add the most value. This report shows what has already been achieved in this area.

The financial information in this annual report has been consolidated for Q-Park and all subsidiaries. The financial annual report, with annual accounts drawn up in accordance with the International Financial Reporting Standards IFRS and the relevant provisions in the Dutch Civil Code, is part of this integrated CSR report.

Value creation

This CSR report for the 2016 financial year is prepared in accordance with the IIRC framework. We realise that we are making a transformation and it is our intention that this provides more integrated insight into the financial and non-financial results and our impact on people, the environment, and society.

In our value creation model we indicate what impact we have on most material aspects of our core activities, and in the Six Capitals section we give a detailed report of how we performed.

Based on the Sustainable Development Goals (SDG) we have chosen to meet our responsibilities (see Materiality). We are proactively taking measures to achieve even greater value by addressing urgent global challenges such as energy consumption in the next couple of years.

Reporting standards and testing criteria

Since 2013 we have applied the G4 guidelines published by the Global Reporting Initiative (GRI). G4 places the materiality principle centre stage. To fully

comply with the G4 requirements, we conduct a comprehensive external materiality analysis every two years.

For our reporting standards and testing criteria we refer you to the CSR reporting principles section on our corporate website.

Reporting process and data collection

For the reporting process and the data collection we refer you to the CSR accounting framework section on our corporate website.

Changes compared to 2015

The following items have been adjusted:

- I In our previous report goals were set until 2017, we have set new targets to meet by 2020.
- I In response to the materiality analysis, new PIs have been added: Compliance with law and regulations, Corporate reputation and ethics, and Employee satisfaction and employment practices. Based on the materiality analysis, we have also dropped some PIs.
 - I Employees and CSR (QEN-5), has been replaced with employee satisfaction (QSO-10).
 - I Local community engagement (G4-SO1 and G4-SO2).

In 2016 there were no changes in the management, the policy or the objectives regarding the non-financial aspects.

 Further information on our CSR accounting framework can also be found on our website www.q-park.com

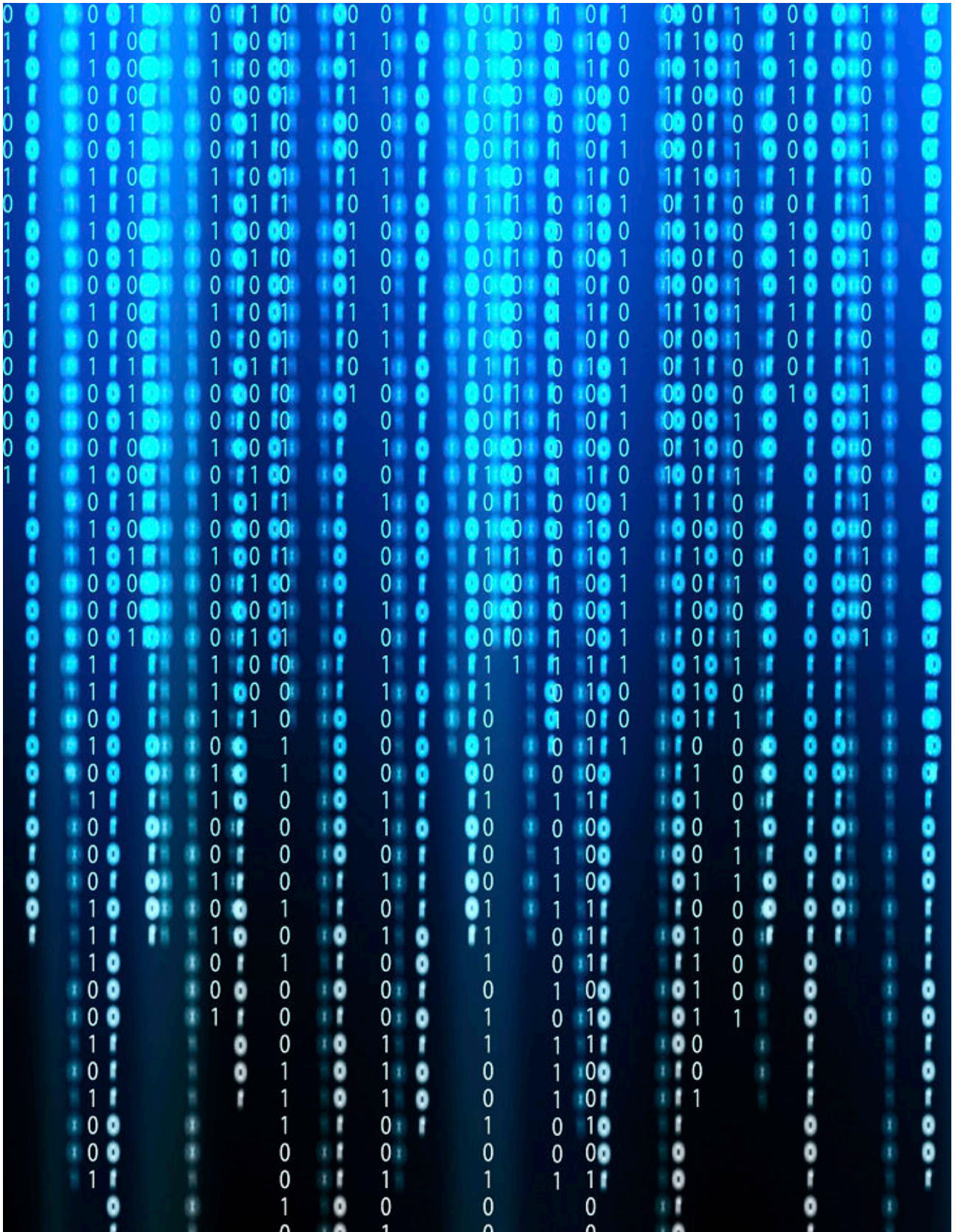
WE VALUE YOUR FEEDBACK



We value your feedback on our CSR report as this will help us to further improve its quality. Should you have any questions or comments, we would like to hear from you by means of our mailbox: cmc@Q-Park.com. You can also post your response to us at the address given in the contact details. We will endeavour to respond to your reaction within five working days.

 You can also get in touch with us by means of our contact form on our website www.q-park.com

OVERVIEWS



PERFORMANCE INDICATORS

Performance and targets

PI	Description	2014	2015	2016	2020 Target ¹	MtrI ²
FINANCIAL						
Economic performance						
G4-EC1	Direct economic value generated and distributed (x EUR million)	184.8	185.0	194.9		+ ³
	- net revenue	768.8	809.1	825.0		+
	- net result	-227.7	90.9	128.9		+
	- operating cash flow	89.9	193.9	202.8		+
G4-EC4	Financial assistance received from government (x EUR 1,000)	7,806	673	873		+
QFA-5	Percentage of parking revenue which was pre-booked	0.6%	0.8%	1.0%	3.0%	++ ⁴
QEC-7	Total capital investment (x EUR million)	52	46	59		+
QSO-9	Expense for societal activities in (local) communities: money, materials, food/beverages, etc. (EUR)	300,707	335,913	411,501	0,20% OPEX	++
Compliance with laws and regulations						
G4-SO8	Significant fines and sanctions for non-compliance with laws			0		+
G4-EN29	Significant fines and sanctions for non-compliance with environmental laws and regulations			0		+
G4-PR9	Significant fines and sanctions for non-compliance with the provision and use of products and services			0		+
MANUFACTURED						
Mobility modes and integrated parking						
QMO-1	Owned and long-leased parking spaces within 300 metres:					
	- of major public transport nodes	103,109	108,993	112,970	40%	++
	- of bicycle parking and/or bicycle rental	86,410	105,099	107,531	40%	++
Facilitating cars with enhanced environmental performance						
QFA-6	Owned and long-leased parking spaces specifically allocated to:	1,113	1,349	1,551	0.6%	++ ⁵
	- electric cars, with electric charging station	479	591	825		
	- car sharing propositions and other enhanced environmental performance programmes	634	758	726		

PI	Description	2014	2015	2016	2020	
					Target ¹	Mtrl ²
Local community health & safety						
QSO-1a	Built, owned and long-leased parking facilities (PFs) with AEDs publicly accessible	138	214	225	70%	++ +
QSO-1b	Built, owned and long-leased PFs with AEDs	344	346	330	90%	++
QSO-1c	Other available AEDs (optional)	128	140	142		+
QSO-2	Built, owned and long-leased PFs with toilets available or guidance to toilets	238	237	241	70%	++ +
QSO-3	Built, owned and long-leased PFs with jump leads	388	393	384	90%	++ +
INTELLECTUAL						
Parking information						
QEC-1	Publications and/or speaking engagements on fair parking tariff strategies in target cities	66	175	189	200 ⁶	++ +
QEC-2	Owned and long-leased PFs with parking tariff strategies differentiated to supply and demand	432	395	405	60%	++
Innovation and digital capabilities						
QMO-3/ QFA-3	Owned and long-leased PFs connected to dynamic traffic guidance systems	353	393	393	70%	++ +
QMO-4	Owned and long-leased PFs providing information on 1) mobility options and/or 2) location/prices of alternatives < 1 km (≈15 min walk)	238	253	264	35%	++ +
Accessibility of parking facilities						
QFA-1	Owned and long-leased PFs that have reached the indication 'full' on >25 days	132	123 ⁷	118 ⁸	13%	++
QFA-2	Total number of days all these PFs with indication 'full'	10,524	9,549 ⁷	9,375 ⁸	15%	++
HUMAN						
Employment practices						
G4-10	Number of employees by employment contract and gender:	2,547	2,519	2,507		+
	- number of full-time contracts:	1,725	1,732	1,730		+
	- temporary contracts (m)	80	49	48		+

PI	Description				2020	
		2014	2015	2016	Target ¹	Mtrl ²
	- temporary contracts (f)	33	21	10		+
	- permanent contracts (m)	1,292	1,324	1,309		+
	- permanent contracts (f)	320	338	363		+
	- number of part-time contracts:	822	787	777		+
	- temporary contracts (m)	140	61	68		+
	- temporary contracts (f)	59	31	28		+
	- permanent contracts (m)	456	489	461		+
	- permanent contracts (f)	167	206	220		+
	- substantial portion of the organisation's work is performed by workers who are legally recognised as self-employed, or by individuals other than employees or supervised workers, including contractors	No	No	No		+
	- significant variations in employment numbers	No	No	No		+
G4-11	Percentage of employees covered by collective bargaining agreements	64%	63%	64%		+
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days and absenteeism, and total number of work-related fatalities					
	Total number of incidents		136	151		+
	Total number of lost days		1,203	1,835		+
Employee satisfaction						
QSO-10	Results of employee satisfaction surveys (PPI weighted average)			72	80	++
Training and education						
QEC-3	Employees trained on parking tariff strategies	265	237	170	15%	++ +
G4-LA9	Total training hours per year per employee:	16	14	16		+
	- male	16	7	12		+
	- female	19	8	9		+
G4-LA10	Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings:					

PI	Description				2020	Mtrl ²
		2014	2015	2016	Target ¹	
	- type and scope of programmes implemented and assistance provided to upgrade employee skills	113	104	118		+
	- transition assistance programmes provided to facilitate continued employability and management of career endings resulting from retirement or termination of employment	8	21	15		+
G4-LA11	Percentage of employees receiving regular performance and career development reviews:					
	- employees in management positions (m)	77%	79%	78%		+
	- employees in management positions (f)	77%	79%	78%		+
	- employees in non-management positions (m)	87%	89%	92%		+
	- employees in non-management positions (f)	79%	81%	84%		+
GRESB 33	Employees receiving regular general and sustainability-specific training:					
	- employees receiving regular general training	1,731	1,606	1,660		+
	- employees receiving sustainability-specific training	78	34	78		+
	- percentage of employees receiving regular general training	68%	64%	66%		+
	- percentage of employees receiving sustainability-specific training	3%	1%	3%		+
QSO-4	Employees trained in heart resuscitation ⁹	583	536	547	30%	++
QSO-5	Employees trained in first aid ⁹	634	557	449	30%	++
QSO-6	Employees trained in conflict management ⁹	550	638	558	25%	++
Anti-corruption						
G4-SO3	Percentage of operations assessed for risks related to corruption			100%		+
G4-SO4	Number of communication and training on anti-corruption policies and procedures			0		+
G4-SO5	Number of confirmed incidents of corruption			0		+
SOCIAL						
Partnerships						
QMO-7	Target cities with owned and long-leased PFs with active involvement in municipal parking policies	44	47	44	50%	++

PI	Description	2014	2015	2016	2020	
					Target ¹	Mtrl ²
QSO-8	Owned and long-leased PFs that collaborate with driving schools	43	51	55	10%	++ +
Customer satisfaction						
G4-PR5	Results of customer satisfaction surveys (scale 1-5)	4.07 ¹⁰			4	++
QSO-7	Number of awards and/or certifications:	116	115	110		+
	- internal and/or external awards (EPA, employee of the year, parking host, etc.)	110	100	95		+
	- external certifications (ADAC, ISO 14001, etc.)	6	15	15		+
Transparent and integrated reporting						
QSO-12	Dutch Ministry of Economic Affairs Transparency Benchmark ranking	19	31	47	Top 50	++ +
QSO-13	GRESB overall score	30	29	29	Follow	++
NATURAL						
Energy savings (reduction in energy consumption)						
QEN-4	CO ₂ (kg) per parking space, owned and long-leased:	154	153	149		+
QEN-4a	- above ground	157	153	152		+
QEN-4b	- below ground	165	167	160		+
QEN-4c	- off-street	67	57	64		+
	Carbon footprint per car kilometre (kg CO ₂)	0.197	0.199	0.191		+
	Carbon footprint per car (kg CO ₂)	4,418	4,568	4,403		+
QEN-4f	Number of petrol vehicles	110	100	83		+
QEN-4i	Number of diesel vehicles	492	478	480		+
QEN-4l	Number of LPG vehicles	6	5	7		+
QEN-4o	Number of bio-diesel (20%) vehicles	2	1	0		+
QEN-4r	Number of hybrid vehicles ¹¹	83	84	93		+
QEN-4u	Number of electric vehicles	39	50	57		+
QEN-4w	Number of one-way plane tickets (0 - 1,000 km)	1,246	1,092	1,395		+
QEN-4x	Number of one-way plane tickets (> 1,000 km)	365	305	470		+
QEN-4y	Number of train tickets (0 - 500 km)	1,940	2,495	2,514		+
QEN-4z	Number of train tickets (> 500 km)	202	584	481		+
G4-EN3	Energy consumption within the organisation (in GJ)	429,022	405,136	398,199		+
	Direct energy consumption (in GJ)	52,215	44,369	42,442		+

PI	Description				2020	
		2014	2015	2016	Target ¹	MtrI ²
	Indirect energy consumption (in GJ)	376,806	360,767	355,757		+
G4-EN4	Energy consumption outside the organisation (business and employee commuting) in tCO ₂	7	7	7		+
G4-EN5	Energy intensity per PF (in GJ)	2,910	2,740	2,666		+
	Energy intensity ratio per parking space (in GJ)	5,584	5,470	5,402		+
G4-EN6	Reduction in energy consumption (in GJ)	-7,195	-4,151	-1,121		+
	Costs saving by energy savings (EUR)	-556,167	-316,610	-316,609		+
Emissions						
G4-EN7	Total direct and indirect greenhouse gas emissions by weight	32,791	32,061	31,888		+
G4-EN15	Direct greenhouse gas (GHG) emissions (scope 1 in tCO ₂)	3,337	3,393	3,274		+
G4-EN16	Indirect greenhouse gas (GHG) emissions (scope 2 in tCO ₂)	28,289	28,385	28,248		+
G4-EN17	Other indirect greenhouse gas (GHG) emissions (scope 3 in tCO ₂)	300	279	366		+
G4-EN18	Greenhouse gas (GHG) emissions intensity:					
	- direct (scope 1) and indirect (scope 2)	32,357	31,533	31,266		+
	- other (scope 3)	185	224	280		+
	- employee intensity ratio (tCO ₂ emissions per employee)	129	124	129		+
	- PF intensity ratio (tCO ₂ emissions per owned and long-leased PF)	601	649	643		+
G4-EN19	Reduction of GHG emissions and reductions in tCO ₂	1,243	706	199		+
Water						
G4-EN8	Total water withdrawal from municipal water or other water utilities in m ³	65,699	56,219	58,295		+
	Water withdrawal per parking space in m ³	0.363	0.306	0.310		+
G4-EN9	Total water consumption (m ³) of offices	3,134	3,314	3,614		+
Numbers						
	Owned and long-leased PFs	806	799	814		

PI	Description				2020	
		2014	2015	2016	Target ¹	Mtrl ²
	Built, owned and long-leased PFs	369	370	373		
	Owned and long-leased parking spaces	297,726	299,509	302,254		
	Target cities	98	121	121		
	Employees ¹²	2,547	2,519	2,507		

1 Percentage in relation to the reporting year.

2 Mtrl = Material.

3 += Monitoring.

4 +++ = Limited change.

5 ++++ = Ambitious action.

6 This is not a percentage, but a target number.

7 No data was available for Ireland; outcomes for 2014 were used.

8 No data was available for the Netherlands outcomes for 2015 were used.

9 First time or refresh.

10 International Customer Satisfaction Survey 2014.

11 Emissions calculation based on petrol, since cars can have a combination of electric, petrol and diesel.

12 The number of employees is different from the number of FTEs.

General information

GRI Table	Description	Chapter, Information and/or Reference
Strategy and analysis		
G4-1	CEO statement	Message from the Board
G4-2	Key impacts, risks, and opportunities	Risk management and Stakeholder dialogue
Organisational profile		
G4-3	Name of the organisation	Q-Park NV
G4-4	Primary brands, products, and services	Profile, Core activities and Value creation
G4-5	Location of the organisation's headquarters	Maastricht, the Netherlands
G4-6	Countries where the organisation operates	Netherlands, Germany, Belgium, United Kingdom, France, Ireland, Denmark, Sweden, Norway, and Finland
G4-7	Nature of ownership and legal form	Governance
G4-8	Markets served	Profile and Key figures
G4-9	Scale of the organisation	Profile and Key figures
G4-10	Number of employees by employment contract	Performance indicators

GRI Table	Description	Chapter, Information and/or Reference
G4-11	Percentage of employees covered by collective bargaining agreements	Performance indicators
G4-12	Describe the organisation's supply chain	Core activities and Governance
G4-13	Significant changes during the reporting period regarding the organisation's size, structure, ownership, or its supply chain	No significant changes in 2016
G4-14	Report whether and how the precautionary approach or principle is addressed by the organisation	Risk management
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or which it endorses	Corporate codes
G4-16	List memberships of associations and national or international advocacy organisations in which the organisation	Danish Parking Association, Norwegian Parking Association, and Parking Complaint Team, Board member at Vexpan, Stichting Maatschappelijke Projecten Maastricht, Independent chairman of the NEN. Member of Communication Partners, Member of GBN platform, Member of Vexpan and CROW, Member of the European Parking Council

Material aspects and boundaries identified

G4-17	<p>Inclusion and restrictions on the scope of the report:</p> <p>A. All entities included in the organisation's consolidated financial statements or equivalent documents</p> <p>B. Whether any entity included in the organisation's consolidated financial statements or equivalent documents is not covered by the report</p>	<p>Annual report: Annual accounts (note 37) and Reporting principles Q-Park NV including Q-Park Beheer BV in Maastricht, Q-Park GmbH & Co KG in Düsseldorf, Q-Park Belgium NV in Brussels, Q-Park (UK) Limited in Leeds, Q-Park France SAS in Boulogne Billancourt, Q-Park Ireland Ltd in Dublin, Q-Park Denmark A/S in Søborg, Q-Park AB in Stockholm, Q-Park Norway Holding AS in Oslo and Q-Park Finland Oy in Helsinki</p>
G4-18	<p>Process description for defining the report content:</p> <p>A. The process for defining the report content and the aspect boundaries.</p> <p>B. How the organisation has implemented the reporting principles for defining report content.</p>	Governance

GRI Table	Description	Chapter, Information and/or Reference
G4-19	Material Aspects	Materiality
G4-20	Material Aspect scope within the organisation	Materiality and Reporting principles
G4-21	Material Aspect scope outside the organisation	Materiality and Reporting principles
G4-22	Effect of any restatements of information provided in previous reports and the reasons for such restatements	Reporting principles
G4-23	Significant changes from previous reporting periods	Reporting principles
Stakeholder engagement		
G4-24	List of stakeholder groups engaged by the organisation	Stakeholders
G4-25	Basis for identification and selection of stakeholders with whom to engage	Stakeholders
G4-26	Organisation's approach to stakeholder engagement, frequency, type and by stakeholder group	Stakeholders
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns	Stakeholders, Stakeholder dialogue and CSR Governance
Report profile		
G4-28	Reporting period and publication date	1 January to 31 December 2016, publication: 12 April 2017
G4-29	Date of most recent previous report	14 April 2016
G4-30	Reporting cycle	Annually
G4-31	Contact point for questions regarding the report or its contents	Contact details
G4-32	A. 'Core' option the organisation has chosen B. GRI content index for the chosen option C. Reference to the external assurance report, if the report has been externally assured	GRI G4 Comprehensive without external assurance
G4-33	A. Policy and current practice with regard to seeking external assurance for the report B. If not included in the assurance report accompanying the sustainability report, the scope and basis of any external assurance provided	CSR Accounting framework, CSR Governance and Reporting principles

GRI Table	Description	Chapter, Information and/or Reference
	<p>C. Relationship between the organisation and the assurance providers</p> <p>D. Whether the highest governance body or senior executives are involved in seeking assurance for the organisation's sustainability report</p>	
Governance		
G4-34	Governance structure of the organisation	<p>CSR Governance and Organisation chart. Our COO T. This was appointed before our Corporate Governance Code came into force; so the term of his reappointment and retirement are undefined. Message from the Board</p>
G4-35	<p>Process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees.</p>	CSR Governance
G4-36	<p>Whether the organisation has appointed an executive-level position or positions with responsibility for economic, environmental, and social topics, and whether post holders report directly to the highest governance body.</p>	CSR Governance
G4-37	<p>Processes for consultation between stakeholders and the highest governance body on economic, environmental, and social topics. If consultation is delegated, describe to whom and explain any feedback processes to the highest governance body.</p>	CSR Governance
G4-38	<p>The composition of the highest governance body and its committees by:</p> <ul style="list-style-type: none"> - Executive or non-executive - Independence - Tenure on the governance body - Number of each individual's other significant positions and commitments and the nature of the commitments - Gender - Membership of under-represented social groups - Competences relating to economic, environmental and social impacts - Stakeholder representation 	Supervisory Board (SB)

GRI Table	Description	Chapter, Information and/or Reference
G4-39	Whether the Chair of the highest governance body is also an executive officer.	Executive Board (EB)
G4-40	Nomination and selection processes for the highest governance body and its committees and the criteria used for nominating and selecting highest governance body members.	Supervisors are selected based on their experience in relevant areas such as finance, investment property and long-term investments; and for their insight into the governance and political environment
G4-41	Processes for the highest governance body to ensure conflicts of interest are avoided and managed; Whether conflicts of interest are disclosed to stakeholders	Risk management
G4-42	The highest governance body's and senior executives' roles in the development, approval and updating of the organisation's purpose, value or mission statements, strategies, policies and goals related to economic, environmental and social impacts.	CSR Governance
G4-43	Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics	SB Report: Quarterly reports, CSR Committee and EB weekly meeting
G4-44	A. Processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics. Report whether such evaluation is independent or not and its frequency. Report whether such evaluation is a self-assessment. B. Report actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics, including, as a minimum, changes in membership and organisational practice.	A. CSR Governance, CSR Remuneration and Annual accounts (note 23). Reporting and Remuneration. Without review by an independent party, B. Stakeholders
G4-45	A. The highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities; The highest governance body's role in the implementation of due-diligence processes. B. Whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental and social impacts, risks and opportunities.	A. Governance. Due-diligence processes are discussed in our Code of Ethics, B. Stakeholder dialogue and Stakeholders

GRI Table	Description	Chapter, Information and/or Reference
G4-46	The highest governance body's role in reviewing the effectiveness of the organisation's risk management processes for economic, environmental and social topics.	Risk management and CSR Governance
G4-47	Frequency of the highest governance body's review of economic, environmental and social impacts, risks and opportunities.	SB report: Quarterly
G4-48	Highest committee or position that formally reviews and approves the organisation's sustainability report and ensures that all material Aspects are covered.	CSR Governance: CSR committee, SB
G4-49	Process for communicating critical concerns to the highest governance body.	SB Report: Quarterly reports and figures. The EB also meets weekly to discuss key issues
G4-50	Nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them.	Dealing with stakeholders' concerns. The EB meets weekly to discuss key issues
G4-51	<p>A. Remuneration policies for the highest governance body and senior executives for the below types of remuneration:</p> <ul style="list-style-type: none"> - Fixed pay and variable pay - Performance-based pay - Equity-based pay - Bonuses - Deferred or vested shares - Sign-on bonuses or recruitment incentive payments - Termination payments - Clawbacks - Retirement benefits, including the difference between benefit schemes and contribution rates for the highest governance body, senior executives and all other employees <p>B. How performance criteria in the remuneration policy relate to the highest governance body's and senior executives' economic, environmental, and social objectives.</p>	A. Financial statements: Notes on the consolidated financial statements and note 23, B. CSR Remuneration
G4-52	Process for determining remuneration; Whether remuneration consultants are involved in determining remuneration and whether they are independent of management; Any other	Annual accounts (note 23) and Governance: Remuneration

GRI Table	Description	Chapter, Information and/or Reference
	relationships which the remuneration consultants have with the organisation.	
G4-53	How stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable.	Q-Park considers this indicator not relevant
G4-54	Ratio of the annual total compensation for the organisation's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country.	Q-Park considers this indicator not relevant. We have an impact on local communities through the salaries we pay our employees
G4-55	Ratio of percentage increase in annual total compensation for the organisation's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country.	Q-Park considers this indicator not relevant. We have an impact on the local communities through the salaries we pay our employees

Ethics and integrity

G4-56	Organisation's values, principles, standards and norms of behaviour	CSR Governance, Code of Ethics, OECD & UNGC Code, Business Partner Code, MarCom Code, Sponsor Code CCTV Code, Allgemeines Gleichbehandlungsgesetz, Betrugsrichtlinie, Richtlinie Geschenke und Bewirtung, Social Media, and Employee handbooks
G4-57	Internal and external mechanisms for seeking advice on ethical and lawful behaviour and matters related to organisational integrity, such as helplines or advice lines.	Described in our Code of Ethics
G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behaviour and matters related to organisational integrity, such as escalation through line management, whistle-blowing mechanisms or hotlines.	Described in our Code of Ethics

General standard disclosures for sector

GRI Table	Description	Chapter, Information and/or Reference
Construction and Real Estate Sector Supplement (CRESS)	<p>Key sector-specific issues, including:</p> <ul style="list-style-type: none"> - Product and service labelling, including building and materials certification - Building energy intensity - Water intensity - GHG emissions relating to buildings in use - Management and remediation of contaminated land - Labour health and safety topics - Resettlement of local communities - Contractor and subcontractor labour issues 	This sector supplement does not sufficiently reflect the nature of our real estate. Hence, we do not apply it
Category economic¹		
DMA	Q-Park aims for stable financial results and pursues a sustainable financial policy, risk and portfolio management, in which informed trade-offs are made between risk and return	Performance indicators and Annual accounts
Economic performance		
G4-EC1	Direct economic value generated and distributed	Performance indicators and Annual accounts
G4-EC3	Coverage of organisation's defined benefit plan obligations	Performance indicators and Annual accounts
G4-EC4	Financial assistance received from government	Performance indicators and Annual accounts
Category environment¹		
Ethics & integrity		
DMA	Q-Park is committed to improving environmental performance of its owned PFs, fleet, and offices and to influencing environmental performance of significant partners in the value chain.	CSR policy, Natural, Performance indicators
Energy		
G4-EN3	Energy consumption within the organisation	Performance indicators
G4-EN4	Energy consumption outside the organisation	Performance indicators (business and employee commuting)
G4-EN5	Energy intensity	Performance indicators

GRI Table	Description	Chapter, Information and/or Reference
G4-EN6	Reduction of energy consumption	Performance indicators
G4-EN7	Reductions in energy requirements of products and services	Performance indicators
Water		
G4-EN8	Total water withdrawal by source	Performance indicators
G4-EN9	Water sources significantly affected by withdrawal of water	Performance indicators
G4-EN10	Percentage and total volume of water recycled and reused	Q-Park considers this indicator not relevant.
Emissions		
G4-EN15	Direct greenhouse gas emissions (scope 1)	Performance indicators
G4-EN16	Indirect greenhouse gas emissions (scope 2)	Performance indicators
G4-EN17	Other indirect greenhouse gas emissions (scope 3)	Performance indicators
G4-EN18	Greenhouse gas emissions intensity	Q-Park only reports CO ₂ emissions, as other greenhouse gas emissions are considered not material
G4-EN19	Reduction of greenhouse gas emissions	Q-Park only reports CO ₂ emissions, as other greenhouse gas emissions are considered not material
G4-EN20	Emissions of ozone-depleting substances (ODS)	Not relevant to our organisation, because our emissions of ozone-depleting substances are minimal and not material
G4-EN21	NO _x , SO _x and other significant air emissions	Our emissions of these types of gases are minimal and not material
G4-EN29	Fines and sanctions for non-compliance with environmental laws and regulations	Financial and Performance indicators

Category social

Subcategory working conditions

DMA	The expertise and commitment of our 2,507 employees in four regions their cooperation and communication are decisive 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	Key figures, Human
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GRI Table	Description	Chapter, Information and/or Reference
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a varied workforce and we pay special attention to the welfare and safety of our employees

Training & education

G4-LA6	Type of injury and rates of injury, occupational diseases, lost days and absenteeism, and total number of work-related fatalities	Human and Performance indicators
G4-LA9	Total training hours per year per employee	Human and Performance indicators
G4-LA10	Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	Human and Performance indicators
G4-LA11	Percentage of employees receiving regular performance and career development reviews	Human and Performance indicators

Social¹

DMA	Q-Park uses its own Code of Ethics, in which we set out how employees should act in response to internal, national and international rules, regulations and guidelines. The code provides procedures to report incidents and abuses via a whistle-blower scheme. Employees follow anti-corruption training courses on a regular basis	Human, CSR Codes and Performance indicators
G4-SO3	Percentage of operations assessed for risks related to corruption	Social and Performance indicators
G4-SO4	Number of communication and training on anti-corruption policies and procedures	Social and Performance indicators
G4-SO5	Number of confirmed incidents of corruption	Social and Performance indicators
G4-SO8	Fines and sanctions for non-compliance with laws	Financial and Performance indicators

Product responsibility¹

DMA	Customer privacy is very important to Q-Park. For security reasons, our PFs are equipped with CCTV. Some facilities use automatic number plate recognition upon entry for the ease of use. We apply strict rules to the use and storage of image data. This is recorded in our CCTV Code	Social, CSR Codes and Performance indicators
G4-PR5	Results of survey measuring customer satisfaction	Social and Performance indicators

GRI Table	Description	Chapter, Information and/or Reference
G4-PR9	Fines and sanctions for non-compliance with the provision and use of products and services	Financial and Performance indicators

¹ In this review, certain aspects and related PIs are not listed because they were not considered to be material during the materiality analysis.

STAKEHOLDERS

Q-Park has a large number of stakeholders. In the first place these are employees, shareholders and financial institutions. Based on our symposium 'The Future of Paid Parking' held in June 2016 and an environmental analysis we have also identified other stakeholder categories. These are customers (private individuals and businesses), business partners, municipalities and regions, government bodies, politicians, and society as a whole.

The following overview shows how we involve our stakeholders in our policy. By working together with our stakeholders we inform them and enquire after their requirements, and we request a response to our policy. A selection of topics on which we have been in dialogue with stakeholders is given in the following table.

<i>Stakeholders</i>	<i>Requirements</i>	<i>Activities</i>	<i>Resources</i>
Capital market -Shareholders -Banks ¹	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> General meeting of shareholders, meetings with banks, technical information days Website, press releases, annual reports Relationship management Code of Ethics Business Partner Code (BPC) Participation in GRESB and Transparency Benchmark (TB) OECD Guidelines and UNGC Principles
Customers - Private - Business ²	<ul style="list-style-type: none"> Fair competition and prices Accessible parking facilities Security practices Quality and good parking services Privacy and data security 	<ul style="list-style-type: none"> Quality management Information regarding liability Health and safety measures Product development and environmental management 	<ul style="list-style-type: none"> Website, press releases, social media, annual reports Customer Service Desk Customer satisfaction surveys Information at the location

-
- | Good complaints processing
 - | Accessibility to customers

- | Disseminating the principle 'the user pays'

-
- 1 Interaction frequency: quarterly
 - 2 Interaction frequency: daily

<i>Stakeholders</i>	<i>Requirements</i>	<i>Activities</i>	<i>Resources</i>
Employees - Existing - Future ¹	<ul style="list-style-type: none"> Job security and correct remuneration Development and deployment Ethical business operations Safety and good working conditions Good reputation Diversity Participation in community activities Transparency and communication 	<ul style="list-style-type: none"> 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 Offering opportunities for community activities 	<ul style="list-style-type: none"> Consultation between management and employees Performance and appraisal interviews Balanced scorecard Employee trainings Internal reputation and communication Employee satisfaction surveys Code of Ethics
Business partners - Suppliers - Commercial parties ²	<ul style="list-style-type: none"> Ethical business operations Partnerships Quality Chain responsibility Transparency and communication Innovation, research and development 	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> Purchase terms and conditions BPC OECD Guidelines and UNGC Principles Negotiations Position papers and showcases Collaboration (on innovation) and consultation Code of Ethics Participation in MVO Nederland in the Large Company Network Participate in knowledge platforms such as DGBC and KpVV and professional organisations such as Vexpan, EPA, and INREV

1 Interaction frequency: daily

2 Interaction frequency: monthly

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

1 Interaction frequency: monthly

2 Interaction frequency: at least once a year


CODES & STANDARDS


Governance Code


Q-Park stands for good corporate governance with proper supervision and transparent reporting. The duties and responsibilities of Executive Board members, Supervisory Board members and shareholders are carefully defined. The Q-Park Governance Code, based on the Dutch Corporate Governance Code (DCGC), and the rules applied by the legislator applicable to two-tier board companies are anchored in the articles of association.

The Code offers terms of reference and guidelines for corporate ethics, sound corporate governance and proper supervision thereon. The Code also provides insight into the tasks and responsibilities of the various administrative bodies, the remuneration policy, the provision of information and the organisational structure.

A temporary provision in the Management and Supervision (Public and Private Companies) Act requires that large companies balance the appointment of men and women or explain why there is no equilibrium and what measures the organisation intends to take to improve the balance. At Q-Park, all members of the Executive Board and four of the five members of the Supervisory Board are men. This unbalanced distribution of appointments is not a conscious choice of Q-Park, but the result of appointing the most suitable person to a vacant position. When an executive position becomes vacant and Q-Park has the choice of appointing a man or woman of equal quality and suitability, the preference will go to a woman.

 For the most up-to-date personal profiles of the Executive Board members we refer you to the Executive Board section on www.q-park.com.

 For the most up-to-date personal profiles of the Supervisory Board members we refer you to the Supervisory Board section on www.q-park.com.

 For the most up-to-date organisation chart we refer you to the Organisation chart section on www.q-park.com.

Code of Ethics

Q-Park has developed its own Code of Ethics which describes how its employees should deal with internal, national and international rules, legislation and guidelines. The code provides procedures for reporting malpractices and a whistle-blower scheme. This code has been signed by the members of the Executive Board and Supervisory Board, the directors and other accountable employees. The Executive Board is responsible for ensuring compliance to the code.

 More on this topic can be found in the Code of Ethics section on www.q-park.com.

Standards

Financial Standards

Q-Park has developed an internal Accounting and Reporting Manual based on IFRS accounting standards, with the aim of creating transparent and comparable financial reports.

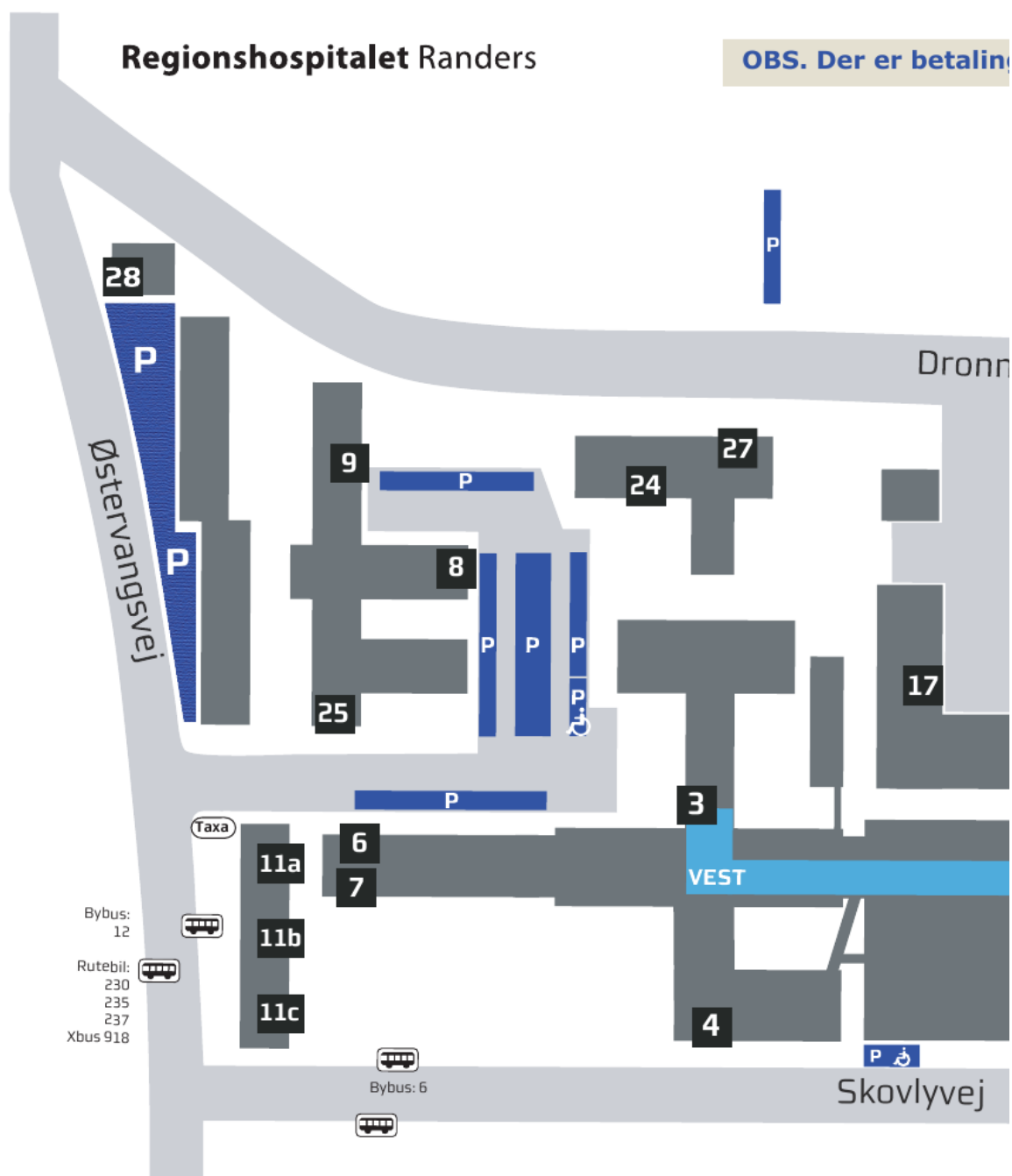
 More on this topic can be found in the Financial Standards section on www.q-park.com.

Brand Identity Standards

Q-Park is seen as a quality brand by the European parking industry. The brand consists of numerous tangible and visible aspects, from business cards to the attractiveness and appearance of our parking facilities. Consistency reinforces and emphasises the Q-Park brand and the confidence in our services.

 More on this topic can be found in the Brand Identity Standards section on www.q-park.com.

GLOSSARY



ADAC

Allgemeiner Deutscher Automobil-Club – German automobile club

AED

Automatic External Defibrillator, a resuscitation device

Best practices

A technique, a working method or activity that has proven to be more effective than any other technique or method

BPC

Business Partner Code

BRE

Building Research Establishment

BREEAM

Building Research Establishment Environmental Assessment Method. BREEAM sets a standard for sustainable construction and subsequently indicates which performance level the building surveyed meets. The aim is to analyse and improve buildings

C2C

Contact-to-Contract

CCTV

Closed-circuit television

CEEQUAL

Civil Engineering Environmental Quality Assessment and Award Scheme

CEO

Chief Executive Officer

CFO

Chief Financial Officer

CO₂

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

COO

Chief Operations Officer

CROW

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

CSR

Corporate Social Responsibility

DGBC

The Dutch Green Building Council, a Dutch network organisation concerned with sustainable construction and investment property

DMA

Disclosure on Management Approach

EB

Executive Board

EBITDA

Earnings Before Interest, Taxes, Depreciation and Amortisation

EPA

European Parking Association

ERM

Enterprise Risk Management

First Aid

First aid is an emergency care or treatment given to an ill or injured person before regular medical aid can be obtained

FTEs

Full-Time Equivalent - total number of employees recalculated to the full-time equivalent. Q-Park expresses the size of its workforce in terms of full-time employees. One full-time employee is equivalent to a full working week. Assuming a working week of 40 hours, a 0.6 full-time equivalent position is $0.6 \times 40 = 24$ hours per week

GHG

Greenhouse gas

GRESB

Global Real Estate Sustainability Benchmark. This foundation holds an annual worldwide survey under listed companies and private property investors, the objective being to create shareholder value and to limit CO₂ emissions in the real estate sector

GRI

Global Reporting Initiative; draws up worldwide guidelines for sustainability reporting

IFRS

International Financial Reporting Standards

IIRC

International Integrated Reporting Council

INREV

European Association for Investors in Non-listed Real Estate Vehicles

ISO

International Organisation for Standardisation

KpVV

Traffic and transport knowledge platform

Long-leased

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

LPG

Liquid petroleum gas

MVO Nederland

Dutch platform that encourages and supports companies, governments and societal organisations in fulfilling their societal role

NEN

Dutch Standards organisation (NEN) governs and encourages the development of standards that market players voluntarily agree with each other regarding the quality and safety of their products, services and processes

OECD

Organisation for Economic Co-operation and Development

Owned

Legal and economic property owned

P&D

Pay and Display

PCI DSS

Payment Card Industry Data Security Standard

PF

Parking facility

PI

Performance indicator

PMS

Parking Management Systems

POF

Pay-On-Foot

PPI

People Performance Index

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

QCR

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

SB

Supervisory Board

SDG

Sustainable Development Goals

Subsidy

Financial help granted by the government for a particular activity, sale or acquisition

Target cities

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

TB

Transparency Benchmark of the Dutch Ministry of Economic Affairs ranks the transparency of CSR reporting. It is a survey into the qualitative and quantitative development of sustainability reporting among the largest enterprises in the Netherlands

UNGC

UN Global Compact

Vexpan

Platform for parking in the Netherlands. A meeting place for various parties to discuss all parking-related topics