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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.

- The revenue increased by 2 percent compared to 2015 and came out at EUR 825.0 million.
- The net result grew from EUR 90.9 million in 2015 to EUR 128.9 million.
- 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

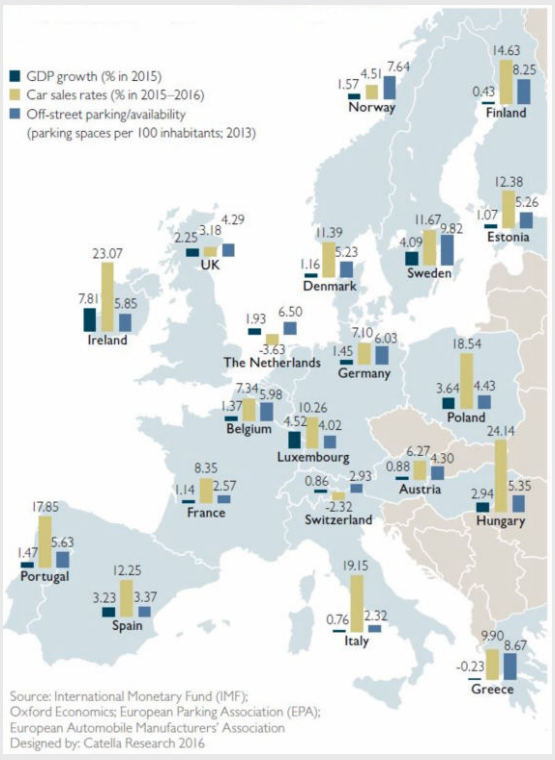
Pre-booking a parking space online is becoming more important. There are many digital channels through which customers are informed about travel options. As customers are becoming more demanding when pre-booking, we launched a digital platform to meet their expectations. The percentage of parking revenue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

Source: Extract of Market tracker, Catella, 2016

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.

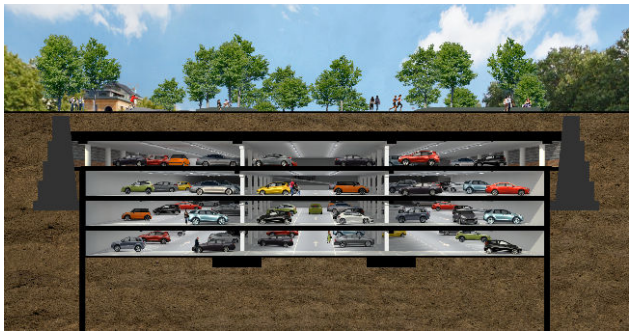
What we have achieved

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 CO_2 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.



Antwerp Zuiderdokken, underground car park

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.

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 2016[12], 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.

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.

PFs with info on mobility options and/or alternative parking

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.

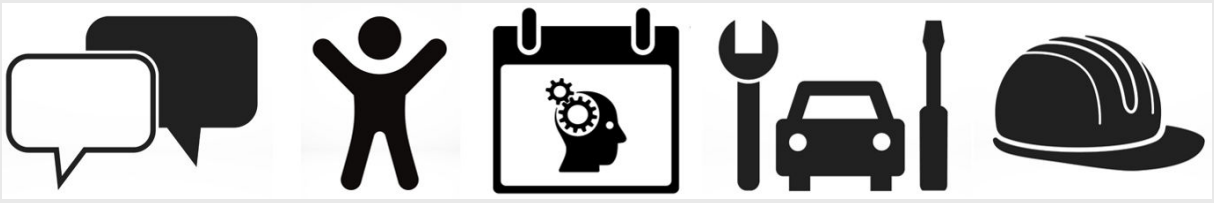
Identifying priorities

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.

Source: PPI, ICMA GROUP sprl, owner P. Daels, 2016

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:

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

Overall, the results are similar to previous years.

UK season ticket customer survey

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

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:

- 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.
- 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:

- A huge range of items attract car burglars, even items that you might not consider valuable.
- Hidden i.e. 'invisible' in the car does not mean safe and unreachable.
- Car break-ins happen faster than you can imagine, even in parking places considered 'safe'.
- 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 exclusive18 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 S*ustainable 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.

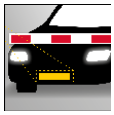
Q-Park is a large consumer of electricity, both for lighting and operational equipment, and for charging electric cars. We have an energy-saving programme to raise awareness of our own energy consumption, and to take measures to reduce this as well as our CO_2 footprint. We express this footprint in terms of the CO_2 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 CO_2 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.


weelec

Certificaat van
CO_2-emissiereductie

3815 kg

CO_2

CO_2 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 CO_2 consumption.

Our average CO_2 footprint per parking space in owned or long-leased facilities decreased from 153 kg in 2015 to 149 kg in 2016.

CO_2 footprint per parking space per type of structure

- Scope 1: the emissions arising within the organisation decreased from 3,393 tCO_2 to 3,274 tCO_2 as some petrol cars in our fleet were replaced with hybrid vehicles.
- Scope 2: the emissions outside the organisation decreased slightly from 28,385 tCO_2 to 28,248 tCO_2 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.
- Scope 3: other emissions rose from 279 tCO_2 to 366 tCO_2. 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

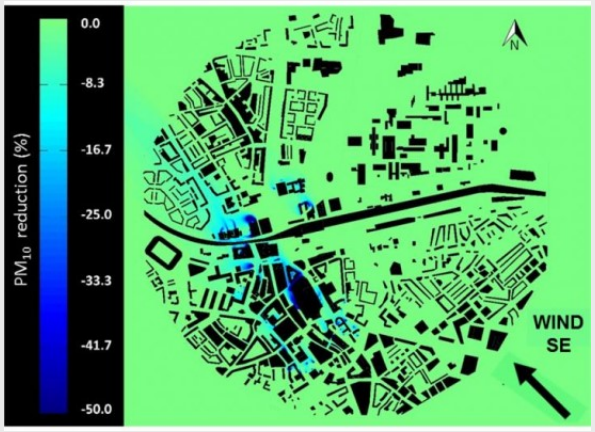
Air purification in car parks

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.

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, 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.

Source: "Reduction of outdoor particulate matter concentrations by local removal in semi-enclosed parking garages: A preliminary case study for Eindhoven city center", B. Blocken, R. Vervoort and T. van Hooff, 2016