

ANNUAL CSR REPORT 2022

**We
Develop
Quality**

Urban liveability



OTHER INFORMATION

Changes in CSR reporting

GRI 2021

We report in accordance with GRI 2021 and have included the GRI 2021 table in the Overviews section. In previous years we reported in accordance with GRI 2016.

Energy consumption

We use energy consumption from our measured Owned + Long-Leased (incl. concession contracts) parking facilities (O+LL PFs), and extrapolate to derive the total energy consumed by our entire O+LL PFs portfolio. We have recalculated our energy consumption and GHG emissions for 2020, 2021 and 2022 accordingly.

Emissions

Market-based emissions calculations

We use market-based emissions calculations. These reflect our initiatives to source green energy, as opposed to our previous location-based reporting which only considered grid averages.

Energy consumed by EV charging points

We deduct the energy consumed by our EV charging points and their carbon footprint respectively, as this impact belongs to our downstream value chain. This is now attributed to Scope 3.

Conversion factors

We use AIB total supplier mix factors instead of DEFRA factors for location-based kgCO₂/kWh, for all countries in which we operate except for the UK. We use AIB 2021 factors for the years 2021 and 2022, and AIB 2020 factors for 2020 for the Netherlands, Germany, France, Belgium, Ireland and Denmark.

Rational for these conversion factor choices:

- I The AIB total supplier mix factors are preferred (by the GHG Guidance Scope 2) as they include the net physical energy imports/exports.
- I The AIB total supplier mix factors are very reliable for EU countries whereas DEFRA appears to be more reliable for the UK.

Supply chain

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

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

Governance, policies and codes

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

 [Click here for our Corporate governance.](#)

 [Click here for our Integrity Policy.](#)

 [Click here for our CSR Code.](#)

We value your feedback

We value your feedback on our Annual CSR Report 2022 as this will help us to further improve its quality. Should you have any questions or comments, please send them in an e-mail to cmc@q-park.com.

RISK MANAGEMENT

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

Q-Park deploys a top-down risk management assessment in which strategic risk management is executed at corporate level. Responsibility for operational risk management lies primarily with local country management. The Management Board bears ultimate responsibility for managing the risks the Company faces.

Risk management and internal control

Ongoing identification and assessment of risks is part of our governance and periodic business review. Our Enterprise Risk Management (ERM) assessment and Compliance Programme are designed to provide management with an understanding of the key business risks. These also provide methods and processes to manage risks that might hamper the business in delivering on our strategy.

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

- I the tone at the top regarding the importance of compliance;
- I that the actions per step of the risk control cycle are executed based on a clearly defined plan with clear roles and responsibilities;
- I that implementation of relevant legislation and internal guidelines within the organisation is assured.

The Management Board and key management periodically review the risks and related mitigation controls and procedures of the ERM assessment and our Compliance Programme, and reconsider the identified focus areas. Furthermore, they provide complementary insights into existing and emerging risks that are subsequently included in the policy. The ERM assessment and Compliance Programme determine the formation of controls and procedures, as well as the focus of business planning and performance process.

Significant developments and risk focus areas in 2022 were:

- I After coronavirus related mobility restrictions were lifted in early 2022 our revenue performance rapidly recovered up to the pre-pandemic levels of 2019. Based on this stabilised performance our results, cash flow generation and liquidity position also showed a strong recovery, facilitating a full repayment of the RCF as soon as the leverage ratio was in the high single digits again. Based on current stable performance levels, we continue to monitor our financial structure and have initiated discussions for refinancing the first bond tranche that is due in February 2025.
- I Information security risks are key because of our digitisation strategy and the general trend of increasing cybersecurity threats. Based on the 2021 risk assessment, an extensive information security programme was launched which covers 'people', 'process' and 'technology' angles to bring our information security maturity to a higher level. After strengthening the ICT infrastructure (hosting platform, connectivity platform, end-user equipment), ICT organisation and processes in 2020 and 2021, we have now shifted focus towards proactive end-to-end security so we can better anticipate, identify, protect, detect and respond to threats and vulnerabilities. As part of this approach we have identified three priority tracks: