

ANNUAL CSR REPORT 2021

We
Develop
Quality

Urban liveability



FUTURE OUTLOOK

Interim economic forecast

Europe's economy performed surprisingly well in the summer and autumn of 2021, yet it slowed down in the fourth quarter. Whether growth picks up again in 2022 will largely depend on developments concerning the coronavirus, the currently very high inflation levels and the impact of Russia's invasion of Ukraine.

The emergence of new virus variants poses the risk that existing vaccines may be less effective and thus mobility restrictions could be reimposed. Inflation rates already showed an increase in 2021 and are further increasing in 2022 to levels not seen in decades fuelled by rising energy prices, labour costs and by Russia's invasion of Ukraine.

Though we are not directly exposed (no Russian or Ukraine business activities, employees and business partners/suppliers) to the invasion it remains uncertain how the world reacts to this and how it may affect the European economy: from lower consumer spending and rising energy and food prices to economic sanctions that hit trade and investments.

However, we do not expect the aforementioned uncertainties to significantly influence the overall recovery of our parking business. We are also confident to continue the roll out of our strategic agenda and portfolio expansion as we did over the past two years during the coronavirus pandemic.

Revitalise sustainability policy

The EU has far-reaching sustainability ambitions wanting to make the EU the world's first climate-neutral continent by 2050. The EU Green Deal and the financial market's increasing societal and environmental awareness will play a more well-defined role in financial decisions.

Q-Park has been a CSR frontrunner for more than a decade. To ensure compliance with regulatory developments and retain our leading role in this domain, we aim to revitalise our corporate sustainability policy in 2022. We are enhancing our non-financial

information disclosures with a double materiality perspective, ESG related information, as well as clearly defined targets and objectives.

Q-Park agenda and outlook

Q-Park will leverage its competitive advantage with technological leadership, a strong brand and the ability to embrace and adapt to a constantly changing world. We serve a dynamic economy with our digital solutions and add-on services for our partners, making the parking journey for our customers a pleasant experience.

With our sustainable mobility partnership programme, we will increase the number of smart mobility hubs, access to public transport and micromobility services. With our electric vehicle (EV) charging programme, we will significantly increase the number of EV charging points. Furthermore, we target to mitigate cybercrime risk with material ICT and cybersecurity investments.

Q-Park remains a solid company and with the available liquidity position we expect to meet our obligations both internally and externally by respecting a disciplined financial approach.

We aim to be an employer of choice with an open inclusive culture, a place where talents from around the world can thrive.

No major fluctuations in numbers of employees are expected.

Short- and medium-term plans

We continue to keep an eye on potential expansion opportunities in the parking market and are working on plans that support our business today and tomorrow. Our plans consist of:

- I engaging with public and private landlords to develop new opportunities and to increase the value of existing parking assets;
- I increasing Sustainable Mobility Partnerships to support cities in achieving their mobility plans;

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- I providing ample EV charging stations at strategic locations with selected charging point operators;
 - I continuing to invest in our information security programme and in our digital innovations which support our commercial roadmap.

Financing

Following the refinancing project that was completed in 2020, our financing position for the coming years is secured. Based on the coronavirus recovery pattern and financial results we will further evaluate and optimise the balance between available cash and debt. No significant changes in the total outstanding net debt position are expected in 2022.

STRATEGY

HOW WE CREATE VALUE

Creating value

The value we create for our stakeholders can be directly traced back to our business model. Our financial results ensure we can continue to create value for society in the long term by improving the accessibility and quality of life in urban areas.

We create value for shareholders, investors, landlords, municipalities, mobility and commercial partners, customers and communities, as well as for our employees. Ongoing dialogue with our stakeholders is vital to ensure that their interests and needs are represented in the choices we make.

If you want to know more, please visit the Profile chapter.

Strengthen our position

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

- I We aim to gain substantial benefit by utilising our scale of operations and market position.
- I We want to increase the margins on our operating activities by focusing on efficiency.
- I We seek to support cities in achieving their sustainable urban mobility plans (SUMP) by positioning ourselves as their Sustainable Mobility Partner.
- I We focus on increasing our market share through acquisitions and different types of lease and management contracts.

Impact on society

Our aim in society is to be an integral part of SUMP and to work towards **sustainable freedom of mobility** and **increased liveability in urban areas**. We achieve this through adopting a fair pricing policy, facilitating actual and relevant information provision, partnering with sustainable mobility providers and integrating our parking facilities with alternative modes of transport.

- I We create sustainable value for society with our parking products: they help improve urban liveability and reduce air pollution generated by traffic cruising for a place to park.

- I We add value by providing functional services and digital solutions.

Value creation model

Our value creation model is a visualisation of our reinforcing loop and of how we grow as a company by creating value for society and the environment – from which we derive our license to operate.

The core of our value creation model is formed by our vision, mission, strategies, activities and the customer groups we serve.

The value creation process consists of three elements:

- I determining what value we can provide to our customers (the 'value customer receives');
- I determining what value we receive from our customers (the 'value organisation receives');
- I successfully managing this value exchange.

With our value creation model, we aim to provide insight into our efforts, from capital input to long-term impact, serving our stakeholders and society at large. It shows the values we can provide and the impact we have on sustainable development goals (SDGs).

Reporting processes and data quality

We continually endeavour to simplify the reporting process and make this more efficient. Our KPIs are well-defined and our back-office systems allow us to extract more and more relevant information. This increases the data quality and reduces the effort required from our country organisations to complete our CSR reporting.

In the following sections we report on our results over 2021 and where we have the data available, we show comparable results from previous years.