

APCOA PARKING DENMARK

ESG Report

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SUSTAINABLE

"The way we travel, and the way we park, is changing."

Here at APCOA, we believe it is our responsibility to grow and develop as a company in innovative, responsible, and sustainable ways. This report is just one of the ways that we are reinforcing our commitment to our colleagues, our customers, our clients and suppliers, our communities and the environment we work in Denmark.

Our parking activities are at the centre of mobility as either a starting or an end point of a journey with a car, bus, motorbike, bicycle or any other form of individually owned or shared transportation. At APCOA we feel we can and must contribute to making this ecosystem as sustainable as possible.

We have therefore introduced a group wide ESG initiative centred around the three main pillars;

Environmental
Social
Governance

To help us drive this initiative fast forward APCOA have partnered with First Climate and have made a commitment across the Group to measure the Scope 1 2 and 3 emissions early in 2022, calculated in accordance with the Greenhouse Gas Protocol. We will going forward annually report our progress against our carbon reduction targets and the associated initiatives we have taken in our journey to achieve net zero.

The past decade has seen our sector begin to change and embrace innovation at a faster rate than ever before. The connecting lines between parking and mobility are intensifying. Electric cars & EV charging, use of solar PV, implementation of ANPR systems and cashless payment options, micro-mobility and smart city digital solutions, parking as urban logistic centres are just some of the innovations across the sector. With autonomous cars, artificial intelligence (AI), role of big data and viable sustainable energy sources on the horizon the industry is likely to change even more.

We strive every day to ensure we are the trusted sustainable partner of choice for all our clients to improve their contribution to a better environment. We know that the best way to achieve these goals is through a responsible approach to business, and we are proud to be innovating towards a brighter future.

This report details the innovations we as a company are bringing to the table which support our sustainable objectives.

I hope that reading this report will give you a sense of the measures APCOA is taking to be a market leader in sustainable parking and mobility.

OUR PROFILE

Over 250 employees working for APCOA in Denmark

Over **2,500 sites** for parking across off-street, airports, rail-ways, hospitals, museums, event sites, recreational and natural areas, shopping centres and city centres











As the parking provider of choice in Denmark, we strive to **INNOVATE**

We provide professional end-to-end services tailored to the specific needs of our partners

Our Bespoke Enforcement Solutions include:

- Parking enforcement
- Car Park Management and Maintenance
- Car Park Design and Building
- Signs and Lines
- Electric Vehicle Charging
- Notice Processing, Permit Suspensions & Dispensations Management

- Representation and Appeals' Service
- Trolley Management
- Shuttle bus service
- Park and Ride
- Valet Services
- APCOA Urban Hubs
- Static CCTV Monitoring and Processing

- Cashless Payment Systems
- Mobile App services (APCOA FLOW)

Market State

- Fully Hosted IT systems from our Secure Data Centre
- Online Payment & Permit Solutions
- ANPR Monitoring and Enforcement Systems
- Parking Equipment Supply and Maintenance

With clients across a multitude of sectors, you can be sure that we have the experience needed to provide innovative and sustainable solutions in Denmark.



ENVIRONMENTAL & CO₂ REDUCTION INITIATIVES

At APCOA we recognise the need for change within the transport industry. We feel it is our duty as a company to provide our customers with the power to choose smarter, greener, and more energy efficient ways to park and travel.

Our car park concepts can help reduce CO2, smog and noise emissions in the inner city areas through innovative technological solutions and careful planning.

Our multi-storey structures can even improve quality of life in urban environments by saving space in city centre areas and transforming carefully planned sites into community hubs that provide easy links to eco-friendly modes of transport. These eco-car parks can also take advantage of new technology such as electric vehicle charging points and paperless parking ticket solutions that provide our customers with simple, but effective, energy saving choices.

In fact, by outfitting our car parks with the latest technology, we have been able to a large extend to replace traditional pay stations and barriers at most of our sites with new digital options that improve efficiency and reduce paper waste by doing away with traditional parking tickets.



OUR ACHIEVEMENTS IN BREIF



CO, Reduction Initiatives

We continue to explore technological means to reduce congestion and pollution. Our research indicates that motorists spend an average of ten minutes hunting for a place to park, covering over 2 miles in the process and producing around 1.3 kilograms of carbon dioxide. We are developing a solution to this problem by offering an online platform that gives parking providers the option to have their parking spots listed for motorists.

We are working to introduce environmental and CO₂ reductions;

- Installation of electric car charging bays
- We use LED lighting and proximity sensors on ticket machines to radically reduce power use. The result is an energy usage reduction of more than 70%
- Only purchasing Electricity from true Green Energy sources in 2025
- To market the true green car park garage constructed with sustainable materials and with 0 or positive effect on CO,

Electric Charging

Electric vehicle (EV) ownership is continuing to grow at a rapid rate with car manufacturers producing revolutionary, eco-friendly vehicles.

As innovators, and providers of the most up-to-date bespoke solutions on the market, we strive to push forward more environmentally friendly options across all our contracts.

We continuously aim to promote and provide electric car charging points across the majority of APCOA run car parks.

Our focus is: "to offer a home charging solution for people not having one at their home, and to offer destination charging for people travelling."

Own Car Fleet

By the end of 2021 we only had two EV in our fleet. We aim at 100% EV's in our fleet by 2030 and minimum 50% in 2025. We do not support hybrid cars in our fleet, since we do not consider hybrid cars to be actually environmentally friendly.

Waste Disposal & Recycling

We focus on environmental correct waste disposal and have implemented "Affaldsbekendtgørelsen," which is a Danish regulation on waste disposal.





28%

APCOA Colleague Age

OUR PEOPLE

We are proud to employ a diverse range of people, from all walks of life. No matter your age, race, gender or sexuality- The message is clear "you have a place at APCOA" where we ensure inclusion for all!

We continue to carry out voluntary diversity monitoring to ensure that each place of work represents the local community it serves. A selection of our results have been summarised over the following pages.

For many years the parking industry has traditionally did have a balance among genders, We are proud to say that 28% of our employees are female. In Park&Control 12% of our employees are female. We like to attract more females to these positions. But in Overhead positions 61% of our employees are female, which we find to be a successful ratio.

Distribution December % Numbers 2021 65+ 23 7.3% 89 28,1% 55 to 64 21,8% 45 to 54 69 70 22,1% 35 to 44 15,8% 25 to 34 50 18 to 24 16 4,9% TOTAL 317

BENEFIT PLANS

APCOA PARKING Denmark has for years been organized under Danish Industry business association.

For more than 20 years our parking enforcement employees have been organized under union agreement with "Vagt- og Sikkerhedsfunktionærernes Landssammenslutning" (Guard- and Security employees Union).

We a proud to offer our highly valued employees the best benefit plan for the Industry by far exceeding general terms for unskilled labour.

Our office personnel is compensated in line with market level with agreements in line with HK-Union agreement.

Recruitment

Getting the right people is critical to our business remaining successful. The parking service is an industry with a traditionally high turnover of staff, this is a challenge that we do not take lightly. We have a dedicated recruitment function within our HR-team, which works in line with defined criteria for needed capabilities for candidates.

For Overhead positions we have been performing candidate testing via the "DISC" profiling tool for years. In 2022 we will supplement this with our recently implemented "Play Your Talent" profiling tool to make sure we have the right fit between personal interests and the position.

For the Park&Control positions we have identified the 4 key competencies for a Parking Enforcement Officer. We both recruit after these competencies and provide employees

ongoing feedback on their performance within these four key competencies: "Always prepared", "Strength", "Focus" and "Interest".

WORK & LEARN: APPRENTICESHIPS

We have a good history of completed apprenticeship periods in our administrative functions for young people, with the result of permanent hire afterwards. We even have several good examples of long term and developing careers with the company for people starting as young apprentices.

In our departments for customer service and case handling, we offer several positions for student workers, where we offer students from law schools to work during their studies with relevant legal tasks. We have a good history of student workers being offered a permanent hire after graduation, with a challenging and personal developing career as a result.

EMPLOYEE RECOGNITION

At APCOA we recognise and celebrate the important work that our colleagues do and we firmly believe that in doing so we bring the very best out of our people; which in turn gives our clients, customers and community's world class service.

In 2021 we introduced then monthly award "Rules of Living Employee of the Month", where employees name candidates they find great representatives for the title. Afterwards all employees votes for the candidates. The "winner" will receive an award as symbol for the colleague's appreciation.

Our company values are of most importance. The 6 values are originally defined by the Management. But in 2018 we added two so called "Rules of Living" under each value:









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As part of the wider transport sector, the Parking Industry has a number of unique challenges to overcome in regards to health and safety. Large numbers of visitors to our sites, combined with the frequent transition of customers from vehicle to on-foot travel, is a catalyst for a number of issues for both our customers and employees.

As such, we make sure health and safety is at the forefront of everything we do, with particular emphasis on how we can improve the working conditions of our employees through best practice, common sense policy implementation and full compliance to any legislation.

HEALTH AND SAFETY INCIDENTS

Despite the apparent potential high risk of health and safety issues, we only experience a limited number of incidents. In 2021 we had a total of 12 incidents, all with parking enforcement employees and no one with Overhead personnel. Just 1 of the 12 incidents were serious and was unfortunately a physical attack on a Parking Enforcement Officer, though with no permanent injury.

We believe out health and safety actions are the reason for the low number of incidents. Therefore, we continue with increased focus on improvement to support the low number of incidents in the future.

SAFETY IN SITUATIONS OF CONFLICTS

Especially our employees performing Parking Enforcement in public areas is at risk for personal attack either verbally or physically. Therefore, it is our highest focus to make sure our employees are well-trained in handling situations of conflict to secure their safety. We have for years had a cooperation with "Teater Turnaround" who have made a tailored program for our employees with conflict training based on role play with their actors.



Furthermore we do have policies for action in case of emergency.

EMPLOYEE SATISFACTION

We perform regular work-environment Risk Assessment (APV) in line with Danish workenvironment legislation. In the process employees respond to a questionnaire with questions regarding physical and mental workenvironment and score the situation on a scale from 1-5 (5 as best). The recent workspace evaluation resulted in an Overhead personnel rating on 3,8 and 4,2 for Parking enforcement employees. The rating is acceptable, but we always strive for improvements. Therefore, actions plans for improvement is defined and implementation is of highest focus.





STAND UP FOR YOUR HEALTH

Many APCOA colleagues who spend the majority of their working lives sitting down, mainly administrative colleagues and managers.

There is increasing evidence which links a sedentary lifestyle to chronic health conditions such as type 2 diabetes, lower back pain and cardiovascular disease. These risks can be significantly reduced by making sure that for a proportion of the day a person is standing and moving around.

MENTAL HEALTH & WELLBEING

For many years we have had the approach to motivate colleagues in the offices to be more active during the workday and generally focussing on a healthy lifestyle.

We have an agreement that they can do a 15 minute walk during the day and we offer to pay for membership of their local fitnesscenter.

Furthermore we arrange "healthy lunch" on a regular basis, where they can buy lunch based on healthy nutrition sources. This is to support colleagues with own interest in eating healthy, but also to introduce other colleagues to more healthy food, than their normal junk food lunch.



WORKING WITH APCOA

WORKING WITH OUR SUPPLIERS

Our contracts vary in nature and complexity and enquire us to engage and manage a number of suppliers, including small and medium enterprises as well as local suppliers.

We perform a fair selection process when we complete our tenders. We collaborate with Danish suppliers to support our community.

We have many years of good collaboration with strategic suppliers.

We have increased focus on "Life Cycle Management" regarding IT-hardware, uniforms etc.

We have the focus to 100% comply with the APCOA Code of Conduct, which regulates also the relationship with and requirements to suppliers.

PROMPT PAYMENT

We support our suppliers by upholding the payment terms and ensuring the prompt settlement of invoices.

The process of raising and approving purchase orders is automated, ensuring that commitments are vetted by duly authorised personnel within the organisation with an auditable trail.



OUR GOALS FOR 2022

Within the three key areas explored in this year's report, we have worked to create a number of 2022 Goals.

ENVIRONMENTAL

GOAL 1	To increase locations with APCOA managed charging points from 3 sites in 2021 to 120 in 2023
GOAL 2	To only purchasing electricity from Green Energy sources in 2025
GOAL 3	To impact mobility and urban life on the road sustainability, by implementing resource saving initiatives through our APCOA Urban Hub strategy
GOAL 4	To publish by the end 2022 our emissions reduction targets as we continue our journey to net zero
GOAL 5	We are committed to transitioning our car fleet to 50% electric vehicles by 2025 and 100% in 2030 to meet our EV100 commitment
GOAL 6	We will develop a garage construction with 0 or positive CO ₂ impact. With the first construction completed in 2025

SOCIAL

GOAL 1	To increase employee satisfaction from 3,8/4,2 to 4,5 before 2025 by actively managing the results of the APV- report
GOAL 2	To reduce stress among employees, by securing clear definition of tasks and responsibility with a manageable workload
GOAL 3	To have all employees enrolled onto a development scheme that grants them continuous update of qualifications to fit the job to be performed
GOAL 4	To eliminate the abuse of our officers to 0 incidents from 1 in 2021. Through community outreach and conflict training programmes
GOAL 5	To reduce our accident incident rate from 12 annually to 0 in 2025 though training programmes

GOVERNANCE

GOAL 1	Issue updated Code of Conduct policy and ensure all employees are always fully trained, to secure 100% compliance.
GOAL 2	Continue training in IT-security and GDPR-compliance to ensure all employees are fully trained, to secure 100% compliance.